

LG Electronics Inc. and its subsidiaries

Interim condensed consolidated financial statements
for each of the three-month periods ended March 31, 2025 and 2024
with the independent auditor's review report

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Report on review of interim condensed consolidated 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 consolidated financial statements of LG Electronics Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the interim condensed consolidated statement of financial position as of March 31, 2025, and the related interim condensed statement of profit or loss, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for each of the three-month periods ended March 31, 2025 and 2024, and a summary of material accounting policy information and other explanatory information.

Management’s responsibility for the interim condensed consolidated financial statements

Management is responsible for the preparation and presentation of these interim condensed consolidated 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 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 consolidated 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 consolidated financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

Other matters

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

Ernst & Young Han Young

May 15, 2025

This review report is effective as of May 15, 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 consolidated financial statements and may result in modification to this review report.

LG Electronics Inc. and its subsidiaries

Interim condensed consolidated financial statements
for each of the three-month periods ended March 31, 2025 and 2024

“The accompanying interim condensed consolidated financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Group.”

JOO WAN CHO
Chief Executive Officer
LG Electronics Inc.

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of financial position
as of March 31, 2025 and December 31, 2024

(in millions of Korean won)

	Notes	March 31, 2025 (Unaudited)	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	5,29	6,985,040	7,573,036
Deposits held by financial institutions	5,29	31,532	46,681
Trade receivables	5,6,29	11,648,007	10,535,614
Other receivables	5,6,29	1,660,932	1,583,477
Other financial assets	5,7,29	78,976	76,226
Inventories	8	10,686,268	10,729,360
Current tax assets		229,230	258,606
Contract assets	9	1,401,678	1,352,092
Other current assets		1,743,078	1,764,807
Assets held for sale	31	46,070	3,618
		<u>34,510,811</u>	<u>33,923,517</u>
Non-current assets			
Deposits held by financial institutions	5,29	194,334	193,637
Trade receivables	5,6,29	1,872,956	1,645,716
Other receivables	5,6,29	871,339	1,022,169
Other financial assets	5,7,29	661,376	644,325
Property, plant and equipment	10	16,861,952	17,075,231
Intangible assets	10	3,602,235	3,518,728
Deferred tax assets		3,548,260	3,509,556
Investments in associates and joint ventures	11	2,676,668	2,775,655
Investment properties		91,335	92,627
Net defined benefit assets	14	326,878	507,087
Contract assets	9	420,053	410,604
Other non-current assets		311,145	310,737
		<u>31,438,531</u>	<u>31,706,072</u>
Total assets		<u>65,949,342</u>	<u>65,629,589</u>
Liabilities			
Current liabilities			
Trade payables	5,29	10,464,556	9,884,770
Borrowings	5,12,29	3,359,958	2,889,260
Lease liabilities	5,13,29	389,362	385,675
Other payables	5,29	4,598,334	5,729,464
Other financial liabilities	5,7,29	4,370	2,967
Current tax liabilities		369,333	370,854
Provisions	15	1,369,325	1,515,367
Contract liabilities	9	1,794,082	2,146,029
Other current liabilities		4,133,441	4,383,053
		<u>26,482,761</u>	<u>27,307,439</u>
Non-current liabilities			
Borrowings	5,12,29	10,535,666	11,093,282
Lease liabilities	5,13,29	883,682	874,185
Other payables	5,29	320,178	319,949
Other financial liabilities	5,7,29	59,350	57,039
Deferred tax liabilities		36,163	35,077
Net defined benefit liabilities	14	156,758	146,985
Provisions	15	282,393	244,347
Contract liabilities	9	689,470	100,177
Other non-current liabilities		256,294	239,445
		<u>13,219,954</u>	<u>13,110,486</u>
Total liabilities		<u>39,702,715</u>	<u>40,417,925</u>
Equity			
Paid-in capital:	16		
Share capital		904,169	904,169
Share premium		3,088,179	3,088,179
Retained earnings	17	17,003,936	16,352,773
Accumulated other comprehensive income (loss)	18	1,155,352	812,913
Accumulated other comprehensive income (loss) from assets held for sale	18,31	(184)	(457)
Other components of equity	19	(164,857)	(162,808)
Equity attributable to the owners of the Parent Company		<u>21,986,595</u>	<u>20,994,769</u>
Non-controlling interests		<u>4,260,032</u>	<u>4,216,895</u>
Total equity		<u>26,246,627</u>	<u>25,211,664</u>
Total liabilities and equity		<u>65,949,342</u>	<u>65,629,589</u>

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of profit or loss
for each of the three-month periods ended March 31, 2025 and 2024 (Unaudited)

(in millions of Korean won, except per share amounts)

	Notes	For the three-month period ended March 31	
		2025	2024
Continuing operations			
Net sales	20	22,739,812	21,095,865
Cost of sales	21	17,148,549	15,710,887
Gross profit		5,591,263	5,384,978
Selling expenses	21,22	2,672,475	2,517,233
Administrative expenses	21,22	558,711	507,002
Research and development expenses	21,22	653,483	630,547
Service costs	21,22	447,535	395,019
Operating profit (loss)		1,259,059	1,335,177
Finance income	23	314,374	347,618
Finance expenses	23	406,521	289,005
Profit (Loss) on investments under equity method	11	(104,055)	(309,710)
Other non-operating income	24	603,034	538,006
Other non-operating expenses	24	547,806	632,951
Profit (Loss) before income tax		1,118,085	989,135
Income tax expense (benefit)		241,019	395,737
Profit (Loss) from continuing operations		877,066	593,398
Discontinued operations			
Profit (Loss) from discontinued operations	32	(1,448)	(7,983)
Profit (Loss) for the period		875,618	585,415
Profit (Loss) for the period attributable to:			
Owners of the Parent Company			
Profit (Loss) from continuing operations		800,454	482,737
Profit (Loss) from discontinued operations		(1,448)	(7,983)
		799,006	474,754
Non-controlling interests			
Profit (Loss) from continuing operations		76,612	110,661
Profit (Loss) from discontinued operations		-	-
		76,612	110,661
Earnings (Losses) per share attributable to the owners of the Parent Company during the period (in Korean won)	25		
Earnings (Losses) per ordinary share			
From continuing operations		4,444	2,680
From discontinued operations		(8)	(45)
		4,436	2,635
Earnings (Losses) per preferred share			
From continuing operations		4,457	2,693
From discontinued operations		(8)	(45)
		4,449	2,648

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of comprehensive income
for each of the three-month periods ended March 31, 2025 and 2024 (Unaudited)

(in millions of Korean won)

	Notes	For the three-month period ended March 31	
		2025	2024
Profit (Loss) for the period		875,618	585,415
Other comprehensive income (loss), net of tax			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Remeasurements of net defined benefit liabilities	14	(64,204)	4,020
Share of remeasurements of associates	11	(576)	(1,155)
Financial assets at fair value through other comprehensive income	7	(456)	49,878
<i>Items that will be reclassified subsequently to profit or loss:</i>			
Share of other comprehensive income (excluding remeasurements) of associates and joint ventures	11	(5,101)	82,147
Cash flow hedges	29	2,728	24,406
Exchange differences on translation of foreign operations		346,037	396,402
Other comprehensive income (loss) for the period, net of tax		278,428	555,698
Total comprehensive income (loss) for the period, net of tax		1,154,046	1,141,113
Total comprehensive income (loss) for the period, net of tax, attributable to:			
Owners of the Parent Company		1,084,767	972,086
Non-controlling interests		69,279	169,027
Total comprehensive income (loss) for the period, net of tax		1,154,046	1,141,113

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of changes in equity
for each of the three-month periods ended March 31, 2025 and 2024 (Unaudited)

(in millions of Korean won)

		Attributable to the owners of the parent company							
				Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss) from assets held for sale	Other components of equity	Total	Non-controlling interests	Total equity
Notes		Paid-in capital	Retained earnings	comprehensive income (loss)					
Balance as of January 1, 2024									
Total comprehensive income (loss):		3,992,348	16,201,439	(420,818)	(136)	(108,079)	19,664,754	3,833,782	23,498,536
	Profit (Loss) for the period	-	474,754	-	-	-	474,754	110,661	585,415
14	Remeasurements of net defined benefit liabilities	-	1,262	-	-	-	1,262	2,758	4,020
11	Share of remeasurements of associates	-	(1,155)	-	-	-	(1,155)	-	(1,155)
7	Financial assets at fair value through other comprehensive income	-	-	49,686	-	-	49,686	192	49,878
	Share of other comprehensive income (excluding remeasurements) of associates and joint ventures	-	-	82,147	-	-	82,147	-	82,147
29	Cash flow hedges	-	-	24,080	-	-	24,080	326	24,406
	Exchange differences on translation of foreign operations	-	-	341,168	144	-	341,312	55,090	396,402
Total comprehensive income (loss):		-	474,861	497,081	144	-	972,086	169,027	1,141,113
Transactions with the owners:									
17	Dividends	-	(144,912)	-	-	-	(144,912)	(36,570)	(181,482)
	Changes in controlling interests in subsidiaries	-	-	-	-	(103)	(103)	1,341	1,238
Total transactions with the owners		-	(144,912)	-	-	(103)	(145,015)	(35,229)	(180,244)
Balance as of March 31, 2024 (unaudited)		3,992,348	16,531,388	76,263	8	(108,182)	20,491,825	3,967,580	24,459,405
Balance as of January 1, 2025									
Total comprehensive income (loss):		3,992,348	16,352,773	812,913	(457)	(162,808)	20,994,769	4,216,895	25,211,664
	Profit (Loss) for the period	-	799,006	-	-	-	799,006	76,612	875,618
14	Remeasurements of net defined benefit liabilities	-	(56,375)	-	-	-	(56,375)	(7,829)	(64,204)
11	Share of remeasurements of associates	-	(576)	-	-	-	(576)	-	(576)
7	Financial assets at fair value through other comprehensive income	-	-	(448)	-	-	(448)	(8)	(456)
	Share of other comprehensive income (excluding remeasurements) of associates and joint ventures	-	-	(5,101)	-	-	(5,101)	-	(5,101)
29	Cash flow hedges	-	-	3,903	-	-	3,903	(1,175)	2,728
	Exchange differences on translation of foreign operations	-	-	344,085	273	-	344,358	1,679	346,037
Total comprehensive income (loss)		-	742,055	342,439	273	-	1,084,767	69,279	1,154,046
Transactions with the owners:									
17	Dividends	-	(90,892)	-	-	-	(90,892)	(29,284)	(120,176)
	Changes in controlling interests in subsidiaries	-	-	-	-	(2,049)	(2,049)	3,142	1,093
Total transactions with the owners		-	(90,892)	-	-	(2,049)	(92,941)	(26,142)	(119,083)
Balance as of March 31, 2025 (unaudited)		3,992,348	17,003,936	1,155,352	(184)	(164,857)	21,986,595	4,260,032	26,246,627

LG Electronics Inc. and its subsidiaries

Interim condensed consolidated statements of cash flows

for each of the three-month periods ended March 31, 2025 and 2024 (Unaudited)

(in millions of Korean won)

	Notes	For the three-month period ended March 31	
		2025	2024
Cash flows from operating activities			
Cash generated from (used in) operations	26	739,696	145,433
Interest received		106,279	135,760
Interest paid		(150,664)	(145,701)
Dividend received		261	-
Income tax paid		(209,866)	(215,548)
Net cash flows provided by (used in) operating activities		485,706	(80,056)
Cash flows from investing activities			
Decrease in deposits held by financial institutions		18,355	7,458
Decrease in other receivables		26,932	23,423
Proceeds from withdrawal and disposal of other financial assets		14,275	79,063
Proceeds from disposal of property, plant and equipment		24,016	27,756
Proceeds from disposal of intangible assets		8,923	13,936
Proceeds from withdrawal and disposal of investments in associates and joint ventures		-	1,197
Increase in deposits held by financial institutions		(4,121)	(8,165)
Increase in other receivables		(37,194)	(37,802)
Acquisition of other financial assets		(19,604)	(125,270)
Acquisition of property, plant and equipment		(645,782)	(564,344)
Acquisition of intangible assets		(358,480)	(377,201)
Acquisition of investments in associates and joint ventures		(15,770)	(525,907)
Proceeds from disposal of business unit		-	(13,748)
Net cash flows provided by (used in) investing activities		(988,450)	(1,499,604)
Cash flows from financing activities			
Increase in borrowings		1,157,085	1,144,913
Increase due to transactions with non-controlling interests		50	14
Repayments of borrowings		(1,291,644)	(1,021,533)
Repayments of lease liabilities		(106,383)	(75,054)
Net cash flows provided by (used in) financing activities		(240,892)	48,340
Effects of exchange rate changes on cash and cash equivalents		155,640	53,345
Net increase (decrease) in cash and cash equivalents		(587,996)	(1,477,975)
Cash and cash equivalents at the beginning of the period		7,573,036	8,487,563
Cash and cash equivalents at the end of the period		6,985,040	7,009,588

LG Electronics Inc. and its subsidiaries

Notes to the interim condensed consolidated financial statements

March 31, 2025 and 2024 (unaudited)

1. General information

LG Electronics Inc. (the “Company” or “Parent Company”) was spun off from LG Electronics Inc. on April 1, 2002. The Parent 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 March 31, 2025. The Parent Company is domiciled in Korea at Yeoui-daero, Yeongdeungpo-gu, Seoul.

As of March 31, 2025, LG Corp. owns 35.1% of the Parent Company’s total shares, excluding preferred shares, while financial institutions, foreign investors and others own the rest.

The Parent Company and its subsidiaries (collectively referred to as the “Group”) operate the following five major business segments: Home Appliance Solution segment manufacturing and selling refrigerators, washing machines, and vacuum cleaners; Media Entertainment Solution segment manufacturing and selling TVs and monitors, PCs, and information displays, also operating a platform business focused on webOS; Vehicle Solution segment designing and manufacturing automobile parts; Eco Solution segment manufacturing and selling HVAC products (Heating, Ventilation, and Air Conditioning) including residential and commercial air conditioners; and LG Innotek Co., Ltd. operating optics solutions, substrate materials and automotive components businesses. As of March 31, 2025, the Parent Company has 156 subsidiaries (See Note 1 (a)), 22 associates and joint ventures (See Note 11).

LG Electronics Inc. and its subsidiaries
Notes to the interim condensed consolidated financial statements
March 31, 2025 and 2024 (unaudited)

(a) Details of the Group's consolidated subsidiaries as of March 31, 2025 and December 31, 2024 are as follows:

Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
The Republic of Korea	Korea	Hiplaza Co., Ltd.	100.0%	-	100.0%	-	December	Wholesales and retails of electronic products	More than half of voting rights
	Korea	ACE R&A Co., Ltd.	100.0%	-	100.0%	-	December	Production and sales of air conditioning plants	More than half of voting rights
	Korea	Hi M Solutek Co., Ltd.	100.0%	-	100.0%	-	December	Other general machinery and equipment repairs	More than half of voting rights
	Korea	Hi-Caresolution Corp.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Korea	Hi Teleservice Co., Ltd.	100.0%	-	100.0%	-	December	Call center and telemarketing services	More than half of voting rights
	Korea	LG Innotek Co., Ltd. ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	Korea	Innowith Co., Ltd. ¹	40.8%	59.2%	40.8%	59.2%	December	Services	De-facto control
	Korea	Hanuri Co., Ltd.	100.0%	-	100.0%	-	December	Business facility maintenance	More than half of voting rights
	Korea	ZKW Lighting Systems Korea Co., Ltd.	70.0%	30.0%	70.0%	30.0%	December	R&D	More than half of voting rights
	Korea	LG Magna e-Powertrain Co., Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	Korea	HIEVCHARGER CO., LTD.	60.0%	40.0%	60.0%	40.0%	December	Manufacture of electric transformers	More than half of voting rights
	China	China	LG Electronics (China) Co., Ltd(LGECH)	100.0%	-	100.0%	-	December	Sales of electronic products
	China	LG Electronics (China) Research and Development Center Co., Ltd.(LGERD)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights

LG Electronics Inc. and its subsidiaries
Notes to the interim condensed consolidated financial statements
March 31, 2025 and 2024 (unaudited)

Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	China	LG Electronics Air-Conditioning(Shandong) Co., Ltd.(LGEQA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	China	LG ELECTRONICS HK LIMITED(LGEHK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	China	LG Electronics (Huizhou) Inc.(LGEHZ)	80.0%	20.0%	80.0%	20.0%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics Nanjing New Technology Co.,Ltd(LGENT)	70.0%	30.0%	70.0%	30.0%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics Nanjing Vehicle Components Co.,Ltd.(LGENV)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	China	LG Electronics (Qinhuangdao) Co.,LTD(LGEQH)	100.0%	-	100.0%	-	December	Production of casting	More than half of voting rights
	China	LG Electronics (Shenyang) Inc(LGESY)	78.9%	21.1%	78.9%	21.1%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics (Tianjin) Appliances Co., Ltd.(LGETA)	80.0%	20.0%	80.0%	20.0%	December	Production of electronic products	More than half of voting rights
	China	Nanjing LG Panda Appliances Co., Ltd(LGEPN)	70.0%	30.0%	70.0%	30.0%	December	Production of electronic products	More than half of voting rights
	China	Taizhou LG Electronics Refrigeration Co., Ltd.(LGETR)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	China	QINGGONGLIAN ELECTRICAL INSTALLATION ENGINEERING CO.,LTD.	80.0%	20.0%	80.0%	20.0%	December	Installation and sales of air conditioners	More than half of voting rights
	China	LG Innotek Yantai Co.,Ltd.(LGITYT) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	China	LG Innotek Trading (Shanghai) Co.,Ltd.(LGITSH) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic materials	De-facto control
	China	ZKW Lighting Systems (Dalian) Co. Ltd.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights

LG Electronics Inc. and its subsidiaries
Notes to the interim condensed consolidated financial statements
March 31, 2025 and 2024 (unaudited)

Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
Asia	China	LG Magna Nanjing e-Powertrain Vehicle Components Co., Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	Australia	LG ELECTRONICS AUSTRALIA PTY LIMITED(LGEAP)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	India	LG ELECTRONICS INDIA LIMITED(LGEIL) ⁴	100.0%	-	100.0%	-	March	Production and sales of electronic products	More than half of voting rights
	Japan	LG Japan Lab. Inc.(LGJL)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Japan	LG Electronics Japan, Inc.(LGEJP)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Malaysia	LG Electronics (M) Sdn. Bhd(LGEML)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Philippines	LG Electronics Philippines Inc.(LGEPH)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Singapore	LG Electronics Singapore Pte.Ltd.(LGESL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Taiwan	LG Electronics Taiwan Taipei Co., Ltd.(LGETT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Thailand	LG Electronics (Thailand) Company Limited(LGETH)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	India	LG Soft India Private Limited.(LGSIL) ⁴	100.0%	-	100.0%	-	March	R&D	More than half of voting rights
	Indonesia	P.T. LG Electronics Indonesia(LGEIN)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Philippines	LG Electronics Pasig Inc. ³	38.0%	62.0%	38.0%	62.0%	December	Real estates	De-facto control
	Indonesia	PT. LG Innotek Indonesia(LGITIN) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control

LG Electronics Inc. and its subsidiaries
Notes to the interim condensed consolidated financial statements
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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Taiwan	LG Innotek (Taiwan) Co., Ltd.(LGITTW) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic materials	De-facto control
	Vietnam	LG Innotek Vietnam Hai Phong Co.,Ltd.(LGITVH) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	Vietnam	LG Electronics Vietnam Hai Phong Co., Ltd.(LGEVH)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Indonesia	PT. LG Electronics Service Indonesia(LGEID)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Philippines	HI-M SOLUTEK PHILIPPINES INC.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Vietnam	HI-M SOLUTEK VIETNAM CO., LTD.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	India	Alphonso Labs Private Limited ⁴	65.6%	34.4%	65.7%	34.3%	March	R&D	More than half of voting rights
	Indonesia	PT LGE INDONESIA RESEARCH AND DEVELOPMENT CENTER (LGERC)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Japan	Cybellum Technologies Ltd.	80.2%	19.8%	80.5%	19.5%	December	Development and sales of automotive security solutions	More than half of voting rights
	Vietnam	LG Electronics Development Vietnam Company Limited(LGEDV)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Indonesia	PT HI-M SOLUTEK INDONESIA	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	India	Hi-M.Solutek India Private Limited ⁴	100.0%	-	100.0%	-	March	Services	More than half of voting rights
	India	ACERNA ECO INDIA PRIVATE LIMITED ⁴	100.0%	-	100.0%	-	March	Production and sales of air conditioning plants	More than half of voting rights

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
Europe	Netherlands	LG Electronics Benelux Sales B.V.(LGEBN)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Germany	LG Electronics Deutschland GmbH(LGEDG)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Spain	LG Electronics Espana S.A.(LGEES)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Netherlands	LG Electronics European Holding B.V.(LGEEH)	100.0%	-	100.0%	-	December	European holding company	More than half of voting rights
	Netherlands	LG Electronics European Shared Service Center B.V.(LGESC)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	France	LG Electronics France S.A.S(LGEFS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Greece	LG ELECTRONICS HELLAS SINGLE MEMBER SA (LGEHS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Italy	LG Electronics Italia S.P.A.(LGEIS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Latvia	LG Electronics Latvia LTD(LGELA)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Hungary	LG Electronics Magyar K.F.T.(LGEMK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Mlawa Sp. z.O.O.(LGEMA)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	Sweden	LG Electronics Nordic AB(LGESW)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Polska Sp. Z.O.O(LGEPL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Portugal	LG Electronics Portugal S.A.(LGEPT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	UK	LG Electronics U.K. LTD(LGEUK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Wroclaw Sp. z.O.O.(LGEWR)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	Finland	LG Electronics Finland Lab Oy(LGEFL)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Poland	LG Innotek Poland Sp. z.o. o.(LGITPO) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	German	LG Electronics Vehicle Components Europe GmbH (LGEVG)	100.0%	-	100.0%	-	December	Sales of vehicle components	More than half of voting rights
	Austria	ZKW Holding GmbH	70.0%	30.0%	70.0%	30.0%	December	Holding company	More than half of voting rights
	Austria	ZKW Group GmbH	70.0%	30.0%	70.0%	30.0%	December	Services	More than half of voting rights
	Austria	ZKW Lichtsysteme GmbH	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Austria	ZKW Austria Immobilien Holding GmbH	70.0%	30.0%	70.0%	30.0%	December	Holding company	More than half of voting rights
	Austria	ZKW Austria Immobilien GmbH	70.0%	30.0%	70.0%	30.0%	December	Real estates	More than half of voting rights
	Slovakia	ZKW Slovakia s.r.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Czech	KES - kabelove a elektricke systemy spol. s.r.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Czech	ZKW Automotive Engineering CZ s.r.o.	70.0%	30.0%	70.0%	30.0%	December	R&D	More than half of voting rights
	Poland	KES Poland Sp.z o.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
America	Poland	HI-M SOLUTEK POLAND Sp. z o.o.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Hungary	ACE R&A Hungary Limited Liability Company	100.0%	-	100.0%	-	December	Production and sales of air conditioner	More than half of voting rights
	UK	Alphonso UK Limited	65.6%	34.4%	65.7%	34.3%	December	Advertisement	More than half of voting rights
	Greece	Alphonso Hellas S.A.	65.6%	34.4%	65.7%	34.3%	December	Advertisement	More than half of voting rights
	Hungary	LG Magna e-Powertrain Hungary Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	Germany	HI-M SOLUTEK Germany GmbH	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Czech	LG ELECTRONICS CZ, s.r.o.(LGECK)	100.0%	-	-	-	December	Sales of electronic products	More than half of voting rights
	Netherlands	Athom Holding B.V.	80.0%	20.0%	80.0%	20.0%	December	Development and sales of smart home solutions	More than half of voting rights
	Netherlands	Athom B.V.	80.0%	20.0%	80.0%	20.0%	December	Development and sales of smart home solutions	More than half of voting rights
	USA	LG Electronics Alabama Inc.(LGEAI)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Canada	LG Electronics Canada, Inc.(LGECl)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Mexico	LG Electronics Mexico S.A. DE C.V.(LGEMS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Mexico	LG Electronics Reynosa, S.A. De C.V.(LGERS)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	USA	LG Electronics U.S.A., Inc.(LGEUS)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
USA	Zenith Electronics LLC(Zenith)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights	

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	USA	LG Innotek USA, Inc.(LGITUS) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic components	De-facto control
	Mexico	LG Innotek Mexico SA DE CV(LGITMX) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic components	De-facto control
	USA	LG Electronics Vehicle Components U.S.A., LLC.(LGEVU)	100.0%	-	100.0%	-	December	Sales of vehicle components	More than half of voting rights
	USA	LGEUS Power, LLC	100.0%	-	100.0%	-	December	Investment of solar power plant	More than half of voting rights
	USA	LG Electronics Fund I LLC	100.0%	-	100.0%	-	December	Investment in technology start-ups	More than half of voting rights
	USA	LG Technology Ventures LLC	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	USA	LG Electronics New Jersey, LLC	100.0%	-	100.0%	-	December	Real estates	More than half of voting rights
	USA	ZKW Lighting Systems USA, Inc.	70.0%	30.0%	70.0%	30.0%	December	Sales of vehicle components	More than half of voting rights
	Mexico	ZKW Mexico Inmobiliaria, S.A. de C.V.	70.0%	30.0%	70.0%	30.0%	December	Real estates	More than half of voting rights
	Mexico	ZKW Mexico, S.A. de C.V.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	USA	LG Magna e-Powertrain USA Inc.	51.0%	49.0%	51.0%	49.0%	December	Sales of vehicle components	More than half of voting rights
	USA	Alphonso Inc.	65.6%	34.4%	65.7%	34.3%	December	Advertisement	More than half of voting rights
	USA	LG Innotek Fund I LLC ¹	40.8%	59.2%	40.8%	59.2%	December	Investment in technology start-ups	De-facto control
	USA	LG Innotek Fund II LLC ¹	40.8%	59.2%	40.8%	59.2%	December	Investment in technology start-ups	De-facto control

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	USA	Cybellum Technologies USA, Inc.	80.2%	19.8%	80.5%	19.5%	December	Development and sales of automotive security solutions	More than half of voting rights
	USA	LG Electronics Fund II LLC.	100.0%	-	100.0%	-	December	Investment in technology start-ups	More than half of voting rights
	Mexico	HI-M SOLUTEK MEXICO S DE RL DE CV.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Mexico	LG Magna e-Powertrain Mexico S.A. DE C.V.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	USA	ACE R&A US INC.	100.0%	-	100.0%	-	December	Production and sales of air conditioner	More than half of voting rights
	USA	Overdrive Energy, Inc.	75.0%	25.0%	75.0%	25.0%	December	Investment in technology start-ups	More than half of voting rights
	USA	Primefocus Health, Inc.	54.0%	46.0%	54.0%	46.0%	December	Investment in technology start-ups	More than half of voting rights
	USA	Hi-M.SOLUTEK US INC.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	USA	Athom Inc.	80.0%	20.0%	80.0%	20.0%	December	Development and sales of smart home solutions	More than half of voting rights
	Argentina	LG Electronics Argentina S.A.(LGEAR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Colombia	LG Electronics Colombia Limitada(LGECB)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Brazil	LG Electronics do Brasil Ltda.(LGEBR)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Brazil	Hi-M.Solutek Brazil Ltda.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Brazil	ALPHONSO BRAZIL LTDA.	65.6%	34.4%	-	-	December	Advertisement	More than half of voting rights
	Honduras	LG Electronics Honduras S.de R.L. ²	20.0%	80.0%	20.0%	80.0%	December	Sales of electronic products	De-facto control

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
Middle East and Africa	Chile	LG Electronics Inc Chile Limitada(LGECL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Panama	LG Electronics Panama, S.A.(LGEPS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Peru	LG Electronics Peru S.A.(LGEPR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Venezuela	LG Electronics Venezuela, S.A.(LGEVZ)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Panama	LG Consulting Corp.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Guatemala	LG Electronics Guatemala, S.A.	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Angola	LG Electronics Angola Limitada(LGEAO)	100.0%	-	100.0%	-	December	Sales and services of electronic products	More than half of voting rights
	Jordan	LG Electronics Levant - Jordan(LGELF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Africa Logistics FZE(LGEAF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Algeria	LG Electronics Algeria SARL(LGEAS)	70.0%	30.0%	70.0%	30.0%	December	Production and sales of electronic products	More than half of voting rights
	UAE	LG Electronics Dubai FZE(LGEDF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Egypt	LG Electronics Egypt S.A.E(LGEEG)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	UAE	LG Electronics Gulf FZE(LGEGF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Middle East Company FZCO (LGEME)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Morocco	LG Electronics Morocco S.A.R.L.(LGEMC)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Nigeria	LG Electronics Nigeria Limited(LGENI)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Tunisia	LGENAF Service Company SARL	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Overseas Trading FZE(LGEOT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	South Africa	LG Electronics S.A. (Pty) Ltd.(LGESA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Türkiye	LG Electronics Ticaret A.S.(LGETK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Saudi Arabia	LG-Shaker Co.Ltd.(LGESR)	51.0%	49.0%	51.0%	49.0%	December	Production of electronic products	More than half of voting rights
	Saudi Arabia	LG Electronics Saudi Arabia LLC.	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	HI M SOLUTEK HVAC SERVICE AND MAINTENANCE LLC.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Egypt	HI-M.SOLUTEK LLC.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Israel	Cybellum Technologies Ltd.	80.2%	19.8%	80.5%	19.5%	December	Development and sales of automotive security solutions	More than half of voting rights
	Saudi Arabia	LG Electronics Middle East & Africa Regional Headquarter(LGESQ)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
Other	Kazakhstan	LG Electronics Almaty Kazakhstan Limited Liability Partnership(LGEAK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Russia	LG Electronics RUS, LLC. (LGERA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Ukraine	LG Electronics Ukraine(LGEUR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

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Territory	Location	Subsidiary	March 31, 2025		December 31, 2024		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Uzbekistan	LG-ELECTRONICS TSHK LLC.(LGEUZ)	100.0%	-	-	-	December	Services	More than half of voting rights

¹ Although the Group owns less than half of the voting rights of LG Innotek Co., Ltd., which is an intermediate parent company of its subsidiaries, the Group 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 (See Note 3.2).

² Although the Group owns less than a majority of the effective percentage of ownership of the entity, the Group has concluded that the Group controls the entity. This is because the Group has a right to appoint or dismiss the majority of its Board of Directors by virtue of an agreement with the other investors.

³ Although the Group owns less than a majority of the effective percentage of ownership of the entity, the Group has concluded that the Group controls the entity. This is because the Group has the substantial power to direct the relevant activities and is exposed to variable returns.

⁴ In the preparation of the consolidated financial statements, the financial statements for the three-month period ended March 31, 2025 were used for those subsidiaries with different fiscal year-ends.

⁵ The percentage of ownership has been rounded to the fourth decimal place.

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(b) The financial information on major subsidiaries as of March 31, 2025 and December 31, 2024 and for each of the three-month periods ended March 31, 2025 and 2024 are as follows (before elimination of intercompany transactions):

Subsidiary	March 31, 2025			For the three-month period ended March 31, 2025	
	Assets	Liabilities	Equity	Sales ¹	Profit (Loss) for the period
<i>(in millions of Korean won)</i>					
LG Innotek Co., Ltd.	9,392,789	5,335,655	4,057,134	4,908,536	29,481
LG Electronics U.S.A., Inc.(LGEUS)	6,616,914	4,410,415	2,206,499	3,321,393	36,675
LG Electronics European Shared Service Center B.V.(LGESC)	1,911,994	1,848,287	63,707	178,203	11,414
LG ELECTRONICS INDIA LIMITED(LGEIL)	2,014,467	990,187	1,024,280	1,242,794	124,346
LG Electronics Vietnam Hai Phong Co., Ltd.(LGEVH)	2,185,542	1,080,579	1,104,963	1,687,627	66,415
LG Electronics Mława Sp. z.O.O.(LGEMA)	1,676,482	781,290	895,192	1,137,557	41,079
Zenith Electronics LLC.(Zenith)	1,840,703	688,950	1,151,753	117,273	76,140
LG Electronics do Brasil Ltda.(LGEBR)	1,856,827	503,579	1,353,248	465,462	39,842
Hiplaza Co., Ltd.	1,079,002	904,640	174,362	458,533	(11,387)
LG Innotek Vietnam Hai Phong Co.,Ltd.(LGITVH)	2,035,318	747,526	1,287,792	1,156,321	66,881
ZKW Lichtsysteme GmbH	1,125,286	755,577	369,709	212,575	(576)
LG Electronics (China) Co., Ltd.(LGECH)	990,366	902,584	87,782	62,597	5,238
LG Electronics (Tianjin) Appliances Co., Ltd.(LGETA)	1,483,158	858,118	625,040	765,884	69,165
ZKW Group GmbH	1,985,845	1,367,301	618,544	57,135	173,951
Taizhou LG Electronics Refrigeration Co., Ltd.(LGETR)	937,473	680,326	257,147	418,632	12,241
Alphonso Inc.	647,660	217,337	430,323	183,232	30,635
LG Electronics (Thailand) Company Limited(LGETH)	876,545	560,645	315,900	710,634	47,295
P.T. LG Electronics Indonesia(LGEIN)	1,308,876	622,448	686,428	872,346	26,909
LG Electronics Nanjing New Technology co.,LTD.(LGENT)	674,405	348,559	325,846	450,969	22,457
Nanjing LG Panda Appliances Co., Ltd.(LGEPN)	782,341	521,232	261,109	388,076	31,572
LG Magna E-Powertrain Co.,Ltd.	1,390,946	699,619	691,327	99,229	(7,887)
LG Electronics Vehicle Components Europe GmbH(LGEVG)	1,365,213	1,233,958	131,255	1,165,461	(9,711)
LG Electronics Deutschland GmbH(LGEDG)	682,021	398,255	283,766	318,575	5,379

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Subsidiary	December 31, 2024			For the three-month period ended March 31, 2024	
	Assets	Liabilities	Equity	Sales ¹	Profit (Loss) for the period
<i>(in millions of Korean won)</i>					
LG Innotek Co., Ltd.	9,862,840	5,770,110	4,092,730	4,265,119	34,344
LG Electronics U.S.A., Inc.(LGEUS)	6,306,217	4,129,685	2,176,532	3,250,675	286,005
LG Electronics European Shared Service Center B.V.(LGESC)	1,763,473	1,713,635	49,838	177,198	14,382
LG ELECTRONICS INDIA LIMITED(LGEIL)	1,732,661	833,148	899,513	1,044,567	93,435
LG Electronics Vietnam Hai Phong Co., Ltd.(LGEVH)	2,233,250	1,187,806	1,045,444	1,446,348	71,523
LG Electronics Mlawa Sp. z.O.O.(LGEMA)	1,493,067	691,378	801,689	1,084,139	48,888
Zenith Electronics LLC.(Zenith)	1,760,783	683,433	1,077,350	75,243	45,583
LG Electronics do Brasil Ltda.(LGEBR)	1,659,376	433,576	1,225,800	466,454	41,678
Hiplaza Co., Ltd.	1,069,375	879,627	189,748	549,523	(12,053)
LG Innotek Vietnam Hai Phong Co.,Ltd.(LGITVH)	2,021,900	798,672	1,223,228	1,794,737	96,601
ZKW Lichtsysteme GmbH	1,080,541	620,067	460,474	212,254	4,226
LG Electronics (China) Co., Ltd.(LGECH)	998,595	916,289	82,306	60,938	905
LG Electronics (Tianjin) Appliances Co., Ltd.(LGETA)	1,328,970	775,085	553,885	643,562	50,935
ZKW Group GmbH	1,766,691	1,345,385	421,306	45,869	7,247
Taizhou LG Electronics Refrigeration Co., Ltd.(LGETR)	925,719	681,461	244,258	379,494	13,079
Alphonso Inc.	660,973	261,804	399,169	139,003	29,913
LG Electronics (Thailand) Company Limited(LGETH)	782,635	515,699	266,936	574,189	38,712
P.T. LG Electronics Indonesia(LGEIN)	1,199,402	538,592	660,810	780,258	31,314
LG Electronics Nanjing New Technology co.,LTD.(LGENT)	737,649	435,142	302,507	538,300	24,304
Nanjing LG Panda Appliances Co., Ltd.(LGEPN)	745,349	516,692	228,657	341,380	27,216
LG Magna E-Powertrain Co.,Ltd.	1,463,879	764,695	699,184	154,667	(15,884)
LG Electronics Vehicle Components Europe GmbH(LGEVG)	1,365,980	1,230,211	135,769	885,574	(13,122)
LG Electronics Deutschland GmbH(LGEDG)	674,893	407,288	267,605	314,223	10,696

¹ The sales related to the discontinued operations were excluded.

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(c) The information of subsidiaries with material non-controlling interests is as follows:

- LG Innotek Co., Ltd. and its subsidiaries

i) The percentage of ownership held by non-controlling interests and accumulated non-controlling interests as of March 31, 2025 and December 31, 2024 are as follow:

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Percentage of ownership held by non-controlling interests	59.2%	59.2%
Accumulated non-controlling interests	3,295,232	3,280,298

i) Details of profits (losses) and dividends attributable to non-controlling interests for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Profit (Loss) attributable to non-controlling interests	53,410	87,231
Dividends attributable to non-controlling interests	29,284	36,570

ii) The summarized consolidated statements of financial position of subsidiaries with material non-controlling interests as of March 31, 2025 and December 31, 2024 are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Current assets	5,548,393	5,853,122
Non-current assets	5,316,736	5,525,090
Total assets	10,865,129	11,378,212
Current liabilities	3,686,263	3,954,860
Non-current liabilities	1,804,367	2,069,486
Total liabilities	5,490,630	6,024,346
Equity attributable to the owners of the Parent Company	5,374,499	5,353,866
Non-controlling interests	-	-
Total equity	5,374,499	5,353,866

iii) The summarized consolidated statements of comprehensive income of subsidiaries with material non-controlling interests for each of the three-month periods ended March 31, 2025 and 2024 are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	For the three- month period ended March 31, 2025	For the three- month period ended March 31, 2024
Net sales	4,982,840	4,333,578
Profit (Loss) for the period	85,613	138,466
Other comprehensive income (loss), net of tax	(15,521)	56,809
Total comprehensive income (loss), net of tax	70,092	195,275

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iv) The summarized consolidated statements of cash flows of subsidiaries with material non-controlling interests for each of the three-month periods ended March 31, 2025 and 2024 are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Cash flows from operating activities	300,411	(280,375)
Cash flows from investing activities	(183,383)	(458,596)
Cash flows from financing activities	(222,026)	214,140
Effects of exchange rate changes on cash and cash equivalents	(118)	5,295
Net increase (decrease) in cash and cash equivalents	(105,116)	(519,536)
Cash and cash equivalents at the beginning of the period	1,329,386	1,389,646
Cash and cash equivalents at the end of the period	1,224,270	870,110

(d) Significant restrictions on subsidiaries

i) Significant restrictions on the Group's ability to use the assets and settle the liabilities

Cash and other short-term financial instruments held by subsidiaries in Egypt, Algeria, Russia and Kazakhstan are subject to exchange control regulations effective in each jurisdiction. Accordingly, it is restricted to transfer the cash and other short-term financial instruments held by the subsidiaries from these jurisdictions.

ii) The protective rights of non-controlling interests which can restrict the Group's use of the assets and settlement of the liabilities exist in certain subsidiaries.

(e) Changes in the Parent Company's interest in subsidiaries

i) During the three-month period ended March 31, 2025, non-controlling interests for Cybellum Technologies USA, Inc. increased by ₩142 million due to the effect of changes in the percentage of ownership resulting from the exercise of stock options and tender offer agreements for non-controlling interests.

ii) During the three-month period ended March 31, 2025, non-controlling interests for Alphonso Inc. increased by ₩1,949 million due to the effect of changes in the percentage of ownership resulting from the exercise of stock options and tender offer agreements for non-controlling interests.

(f) Details of subsidiaries newly included in the scope of preparation of consolidated financial statements for the three-month period ended March 31, 2025 are as follows:

Subsidiary	Reason	Location	Controlling interest	Closing month	Major business
LG ELECTRONICS CZ, s.r.o.	Newly established	Czech	100.0%	December	Sales of electronic products
LG-ELECTRONICS TSHK LLC.	Newly established	Uzbekistan	100.0%	December	Services
ACERNA ECO INDIA PRIVATE LIMITED	Newly established	India	100.0%	March	Production and sales of air conditioning plants
ALPHONSO BRAZIL LTDA.	Newly established	Brazil	65.6%	December	Advertisement

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(g) Gain or loss resulted from the loss of control

The Group did not recognize any gain or loss from the loss of control for the three-month period ended March 31, 2025.

2. Material accounting policies

2.1 Basis of preparation

The Group maintains its accounting records in Korean won (presented as “Korean won”, “KRW”, or “₩”) and prepares statutory 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 consolidated 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 Group’s interim condensed consolidated financial statements for the three-month period ended March 31, 2025 have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim condensed consolidated financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of March 31, 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

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

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 Group does not expect that these amendments will have a material impact on its consolidated financial statements.

(b) Newly enacted and amended standards issued, but not effective and not early adopted by the Group as of March 31, 2025

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

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 Group does not expect that these amendments will have a material impact on the interim condensed consolidated financial statements. The amendments:

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- allow financial liabilities to be considered as settled (derecognized) before the settlement date if they are settled via an electronic payment system and meet specific criteria;
 - clarify and introduce additional guidance for assessing whether a financial asset meets the criteria of having cash flows that are solely payments of principal and interest;
 - require the disclosure of the extent to which an entity is exposed to contractual terms that alter the timing or amount of contractual cash flows, categorised by type of financial instrument; and
 - introduce additional disclosure requirements 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 Group does not expect that these amendments will have a material impact on the interim condensed consolidated financial statements.

- KIFRS 1101 *First-time Adoption of KIFRS: Application of hedge accounting upon first-time adoption of KIFRS*
- 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 consolidated financial statements are consistent with those of the consolidated 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.

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3. Material accounting estimates and judgments

3.1 Material accounting estimates and assumptions

The Group 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 Group 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 Group.

Material accounting estimates and assumptions applied in the preparation of the interim consolidated 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 Group'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 Group recognizes revenue over time using the percentage of completion method for the rendering of service such as equipment production and installation. The Group 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 Group 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 Group 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 Group uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing as of March 31, 2025.

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(e) Provisions

The Group recognizes provisions for product warranties and others based on their historical data as of March 31, 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 Group 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 Group 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 Group 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 Group 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 Group recognizes income at the lower of the lease net investment discounted at the market interest rate and the sale price of the underlying asset.

3.2 Material judgment on accounting policies adopted by the Group

In order to determine the Group's de-facto control, the Group considers the Group's shareholding of voting rights relative to the percentage of shareholding and dispersion of other voting right holders and additional facts and circumstances including voting patterns at previous shareholders' meetings.

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4. Segment information

The segments of the Group are strategic business divisions providing different products and services. They are reported separately because each business division requires different technologies and marketing strategies. As of March 31, 2025, the main products of each business division are as follows and the comparative information is presented in conformity with the same classification in the current period.

Operating segment	Type of products
Home Appliance Solution ("HS")	Refrigerators, washing machines, vacuum cleaners and others
Media Entertainment Solution ("MS")	TVs, Audio, monitors, PCs, information displays and others
Vehicle Solution ("VS")	Vehicle components and others
Eco Solution ("ES")	Air conditioners and others
LG Innotek Co., Ltd. and its subsidiaries ("Innotek")	Camera modules, substrate material, motor/sensor and others
Other	Equipment production and others

(a) Details of sales and operating profits (losses) by segment for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

For the three-month period ended March 31, 2025							
(in millions of Korean won)	HS	MS	VS	ES	Innotek	Others ¹	Total
Sales	6,696,848	4,950,294	2,843,209	3,054,439	4,982,840	212,182	22,739,812
External sales	6,601,851	4,945,694	2,843,209	3,046,032	4,852,651	450,375	22,739,812
Internal sales	94,997	4,600	-	8,407	130,189	(238,193)	-
Operating income (loss) ²	644,578	4,944	125,054	406,703	125,116	(47,336)	1,259,059
Depreciation and amortization	202,750	106,479	144,601	49,771	295,244	59,207	858,052
For the three-month period ended March 31, 2024							
(in millions of Korean won)	HS	MS	VS	ES	Innotek	Others ¹	Total
Sales	6,129,132	5,061,307	2,661,745	2,588,985	4,333,578	321,118	21,095,865
External sales	6,014,357	5,059,343	2,661,745	2,583,696	4,194,436	582,288	21,095,865
Internal sales	114,775	1,964	-	5,289	139,142	(261,170)	-
Operating income (loss) ²	586,539	180,965	51,800	335,582	176,038	4,253	1,335,177
Depreciation and amortization	199,127	104,322	137,930	45,850	314,959	44,801	846,989

¹ Other includes operating segments that are not qualified as reportable segments and departments that support the operating segments and R&D, and inter-segment transactions. Sales between segments are accounted on terms equivalent to those that prevail in arm's length transactions.

² Other income or expenses items not included in the operating profit (loss) are not separately disclosed because the Chief Operating Decision Maker does not review them by segment.

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(b) Details of assets and liabilities by segment as of March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won)</i>	March 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
HS	23,838,735	13,214,547	23,208,753	13,185,383
MS	22,188,914	15,028,806	21,736,327	14,881,094
VS	10,268,341	11,061,237	10,488,626	11,423,771
ES	9,726,942	4,143,665	9,061,397	3,852,177
Innotek	10,865,129	5,490,630	11,378,212	6,024,346
Subtotal¹	76,888,061	48,938,885	75,873,315	49,366,771
Other segments and inter-segment transactions	(10,938,719)	(9,236,170)	(10,243,726)	(8,948,846)
Total	65,949,342	39,702,715	65,629,589	40,417,925

¹ The amounts of assets and liabilities of each segment are before inter-company elimination, and common assets and liabilities are allocated based on the operations of the segments.

(c) Details of non-current assets by geographic area as March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won)</i>	Non-current assets¹	
Geographic areas	March 31, 2025	December 31, 2024
Korea	13,419,676	13,635,249
America	2,568,627	2,556,397
Europe	1,154,274	1,095,889
Asia, Africa and others	3,412,945	3,399,051
Total	20,555,522	20,686,586

¹ Non-current assets consist of property, plant and equipment, intangible assets and investment properties.

(d) Sales from a single external customer contributing more than 10% of the Group's total sales for the three-month period ended March 31, 2025 are sales from LG Innotek segment and others amounting to ₩4,017,600 million (March 31, 2024: ₩3,338,417 million).

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5. Financial instruments by category

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

	March 31, 2025				
	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
<i>(in millions of Korean won)</i>					
Cash and cash equivalents	6,985,040	-	-	-	6,985,040
Deposits held by financial institutions	225,866	-	-	-	225,866
Trade receivables	8,874,456	2,509,326	-	2,137,181	13,520,963
Other receivables	2,532,271	-	-	-	2,532,271
Other financial assets and others	-	145,706	182,624	426,724	755,054
Total	18,617,633	2,655,032	182,624	2,563,905	24,019,194

	March 31, 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Others	Total
<i>(in millions of Korean won)</i>				
Trade payables	10,464,556	-	-	10,464,556
Borrowings	13,895,624	-	-	13,895,624
Lease liabilities	-	-	1,273,044	1,273,044
Other payables	4,918,512	-	-	4,918,512
Other financial liabilities	-	34,167	29,553	63,720
Total	29,278,692	34,167	1,302,597	30,615,456

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	December 31, 2024				
<i>(in millions of Korean won)</i>	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	7,573,036	-	-	-	7,573,036
Deposits held by financial institutions	240,318	-	-	-	240,318
Trade receivables	7,728,143	2,652,562	-	1,800,625	12,181,330
Other receivables	2,605,646	-	-	-	2,605,646
Other financial assets and others	-	140,904	181,040	413,309	735,253
Total	18,147,143	2,793,466	181,040	2,213,934	23,335,583

	December 31, 2024			
<i>(in millions of Korean won)</i>	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Others	Total
Trade payables	9,884,770	-	-	9,884,770
Borrowings	13,982,542	-	-	13,982,542
Lease liabilities	-	-	1,259,860	1,259,860
Other payables	6,049,413	-	-	6,049,413
Other financial liabilities	-	27,886	32,120	60,006
Total	29,916,725	27,886	1,291,980	31,236,591

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(b) Details of net gains or losses on financial instruments by category for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025				
	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	107,201	-	-	-	107,201
Exchange differences	(111,513)	18,047	-	-	(93,466)
Bad debt expenses	(4,522)	-	-	(1,691)	(6,213)
Loss on disposal of trade receivables	-	(5,733)	-	-	(5,733)
Dividend income	-	301	121	-	422
Gain (Loss) on valuation of financial assets at fair value through profit or loss	-	-	(2,034)	-	(2,034)
Gain (Loss) on derivatives (through profit or loss)	-	-	18,527	-	18,527
Profit (Loss) for the period from discontinued operations	(422)	-	-	-	(422)
Fair value gain (loss), net of tax (through other comprehensive income)	-	(456)	-	-	(456)
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	6,408	6,408

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Others	Total
Interest expense	(151,550)	-	72	(151,478)
Exchange differences	106,723	-	6,221	112,944
Gain (Loss) on derivatives (through profit or loss)	-	(19,622)	-	(19,622)
Profit (Loss) for the period from discontinued operations	3	-	-	3
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	(3,680)	(3,680)
Others	(661)	-	-	(661)

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<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 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	137,140	-	-	-	137,140
Exchange differences	416,436	41,941	-	-	458,377
Bad debt expenses	(2,505)	-	-	(219)	(2,724)
Loss on disposal of trade receivables	(694)	(8,970)	-	-	(9,664)
Dividend income	-	257	-	-	257
Gain (Loss) on valuation of financial assets at fair value through profit or loss	-	-	(1,332)	-	(1,332)
Gain (Loss) on derivatives (through profit or loss)	-	-	21,493	-	21,493
Profit (Loss) for the period from discontinued operations	376	-	-	-	376
Fair value gain (loss), net of tax (through other comprehensive income)	-	49,878	-	-	49,878
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	17,093	17,093

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2024			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Others	Total
Interest expense	(140,212)	-	6,074	(134,138)
Exchange differences	(527,813)	-	40,987	(486,826)
Gain (Loss) on derivatives (through profit or loss)	-	(10,943)	-	(10,943)
Profit (Loss) for the period from discontinued operations	(11,404)	-	-	(11,404)
Gain (Loss) on derivatives, net of tax (through other comprehensive income)	-	-	7,313	7,313
Others	(669)	-	-	(669)

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6. Trade receivables and other receivables

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

<i>(in millions of Korean won)</i>	March 31, 2025			December 31, 2024		
	Original amount	Allowance for doubtful accounts	Carrying amount	Original amount	Allowance for doubtful accounts	Carrying amount
Trade receivables						
Current	11,778,023	(130,016)	11,648,007	10,657,726	(122,112)	10,535,614
Non-current	1,876,403	(3,447)	1,872,956	1,648,842	(3,126)	1,645,716
Other receivables						
Current	1,668,859	(7,927)	1,660,932	1,591,047	(7,570)	1,583,477
Non-current	871,424	(85)	871,339	1,022,244	(75)	1,022,169

(b) Changes in allowances for doubtful accounts for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025				
	January 1	Addition (Reversal)	Write-off	Others	March 31
Trade receivables					
Current	122,112	5,362	(535)	3,077	130,016
Non-current	3,126	358	(37)	-	3,447
Other receivables					
Current	7,570	1,035	(41)	(637)	7,927
Non-current	75	-	-	10	85

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2024				
	January 1	Addition (Reversal)	Write-off	Others	March 31
Trade receivables					
Current	101,926	2,953	(194)	2,605	107,290
Non-current	1,497	173	-	-	1,670
Other receivables					
Current	6,988	(743)	(2)	444	6,687
Non-current	83	-	-	15	98

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

<i>(in millions of Korean won)</i>	March 31, 2025				
	Trade receivables		Other receivables		Total
	Current	Non-current	Current	Non-current	
Receivables not past due	10,429,256	1,876,403	1,566,833	871,424	14,743,916
Past due but not individually impaired					
Up to 6 months	1,012,595	-	66,602	-	1,079,197
7 to 12 months	57,505	-	16,096	-	73,601
Over 1 year	89,941	-	13,025	-	102,966
Subtotal	1,160,041	-	95,723	-	1,255,764
Individually impaired	188,726	-	6,303	-	195,029
Total	11,778,023	1,876,403	1,668,859	871,424	16,194,709

<i>(in millions of Korean won)</i>	December 31, 2024				
	Trade receivables		Other receivables		Total
	Current	Non-current	Current	Non-current	
Receivables not past due	9,158,510	1,648,842	1,501,963	1,022,244	13,331,559
Past due but not individually impaired					
Up to 6 months	1,171,502	-	44,981	-	1,216,483
7 to 12 months	42,208	-	15,272	-	57,480
Over 1 year	94,906	-	22,515	-	117,421
Subtotal	1,308,616	-	82,768	-	1,391,384
Individually impaired	190,600	-	6,316	-	196,916
Total	10,657,726	1,648,842	1,591,047	1,022,244	14,919,859

(d) Some of trade receivables have been discounted through collateralized borrowing agreements with banks for the three-month period ended March 31, 2025. In case the customers default, the Group has an obligation to pay the amounts related thereto to banks which hold the right of indemnity. As a result, this transaction has been accounted for as a collateralized borrowing (See Note 12). Discounted trade receivables as of March 31, 2025 amount to ₩58,412 million (December 31, 2024: ₩43,462 million).

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7. Other financial assets and liabilities

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Other financial assets		
Derivatives	449,685	432,330
Financial assets at fair value through other comprehensive income	145,706	140,904
Financial assets at fair value through profit or loss	144,961	147,317
Total	740,352	720,551
Current	78,976	76,226
Non-current	661,376	644,325

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Other financial liabilities		
Derivatives	63,720	59,891
Financial guarantee liability	-	115
Total	63,720	60,006
Current	4,370	2,967
Non-current	59,350	57,039

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

(in millions of Korean won)	March 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current				
Currency forward	8,332	4,370	8,539	2,852
Cross-currency swap	65,735	-	62,776	-
Option	4,359	-	4,359	-
Subtotal	78,426	4,370	75,674	2,852
Non-current				
Cross-currency swap	356,093	8,690	336,555	13,167
Interest rate swap	9,058	20,862	13,978	18,671
Option	6,108	3,489	6,123	3,489
Embedded derivatives	-	26,309	-	21,712
Subtotal	371,259	59,350	356,656	57,039
Total	449,685	63,720	432,330	59,891

Details of major derivative contracts as of March 31, 2025 are presented in Note 29.

(c) Changes in financial assets at fair value through other comprehensive income for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

(in millions of Korean won)	For the three-month period ended March 31, 2025						
	January 1	Acquisition	Disposal	Transfer	Valuation	Others ¹	March 31
Marketable equity securities	46,398	-	-	-	(606)	508	46,300
Unmarketable equity securities	94,506	5,038	-	-	-	(138)	99,406
Total	140,904	5,038	-	-	(606)	370	145,706

(in millions of Korean won)	For the three-month period ended March 31, 2024						
	January 1	Acquisition	Disposal	Transfer	Valuation	Others ¹	March 31
Marketable equity securities	30,668	-	-	30	64,818	273	95,789
Unmarketable equity securities	87,204	7,016	-	(30)	-	1,835	96,025
Total	117,872	7,016	-	-	64,818	2,108	191,814

¹ Others include increases and decreases due to changes in the scope of consolidation and exchange rate fluctuations.

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(d) Changes in financial assets at fair value through profit or loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025						
	January 1	Acquisition	Disposal	Transfer	Valuation	Others	March 31
Marketable debt securities	552	-	-	(1,729)	1,729	(2)	550
Unmarketable equity securities	141,400	1,605	(34)	-	(3,763)	(162)	139,046
Unmarketable debt securities	5,365	-	-	-	-	-	5,365
Total	147,317	1,605	(34)	(1,729)	(2,034)	(164)	144,961

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2024						
	January 1	Acquisition	Disposal	Transfer	Valuation	Others	March 31
Marketable debt securities	74,750	91,616	(60,219)	-	-	3,705	109,852
Unmarketable equity securities	108,232	19,719	-	-	(1,332)	1,501	128,120
Unmarketable debt securities	1,133	-	-	-	-	-	1,133
Total	184,115	111,335	(60,219)	-	(1,332)	5,206	239,105

8. Inventories

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

<i>(in millions of Korean won)</i>	March 31, 2025			December 31, 2024		
	Acquisition cost	Valuation allowance	Carrying amount	Acquisition cost	Valuation allowance	Carrying amount
Finished products and merchandise	6,674,235	(143,056)	6,531,179	6,666,592	(175,410)	6,491,182
Work-in-process	772,900	(44,303)	728,597	744,781	(39,926)	704,855
Raw materials and supplies	3,226,124	(176,520)	3,049,604	3,404,458	(202,250)	3,202,208
Others	408,520	(31,632)	376,888	367,595	(36,480)	331,115
Total	11,081,779	(395,511)	10,686,268	11,183,426	(454,066)	10,729,360

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9. Contract assets and contract liabilities

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Due from customers for contract work	1,211,119	1,142,509
(Less: allowance for doubtful accounts)	(2,336)	(2,747)
Right to recover returned products	96,150	95,415
Costs to fulfil contracts with customers and others	516,798	527,519
Total	1,821,731	1,762,696
Current	1,401,678	1,352,092
Non-current	420,053	410,604

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Expected promotional incentives for customers	791,038	723,858
Expected returns from customers	290,202	285,779
Customer loyalty program	155,161	136,354
Rendering of warranty services	222,075	210,456
Due to customers for contract work and others	1,025,076	889,759
Total	2,483,552	2,246,206
Current	1,794,082	2,146,029
Non-current	689,470	100,177

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(c) Details of revenue recognized in relation to contract liabilities for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 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	148,827	191,401
Customer loyalty program	28,174	20,932
Rendering of warranty services	18,168	14,827
Total	195,169	227,160
Revenue recognized from performance obligations satisfied in previous period	9,627	7,557

(d) Unsatisfied long-term contracts

As of March 31, 2025, the total amount of transaction price allocated to the unsatisfied or partially unsatisfied performance obligations is ₩1,310,131 million (December 31, 2024: ₩1,258,551 million), expected to be satisfied by 2031, at the latest. Also, as a practical expedient, the Group excluded a contract of which performance obligation had an original expected duration of one year or less.

(e) For the three-month period ended March 31, 2025, the Group recognized a reversal of impairment loss amounting to ₩461 million (March 31, 2024: reversal of impairment loss of ₩691 million) in relation to due from customers for contract work, and amortization and others of ₩32,657 million (March 31, 2024: ₩113,992 million) in relation to costs to fulfil contracts.

10. Property, plant and equipment, and Intangible assets

(a) Changes in property, plant and equipment for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
January 1	17,075,231	16,818,629
Acquisitions	510,104	487,646
Reclassification to assets held for sale	(42,126)	-
Transfer	560	4,849
Disposals and others	(28,529)	(24,117)
Depreciation	(722,769)	(725,266)
Impairment losses	(3,301)	(18,832)
Exchange differences	72,782	167,449
March 31	16,861,952	16,710,358

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(b) Line items including depreciation of property, plant and equipment in the consolidated statements of profit or loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Cost of sales	540,928	562,631
Selling expenses	74,665	69,195
Administrative expenses	59,922	50,921
Research and development expenses	35,052	31,745
Service costs	11,376	10,723
Other non-operating expenses	826	51
Subtotal	722,769	725,266
Discontinued operations	-	-
Total	722,769	725,266

(c) Changes in right-of-use assets included in property, plant and equipment for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
January 1	1,329,286	1,291,295
Acquisitions	115,682	69,167
Disposals and others	(1,678)	(10,943)
Depreciation	(115,777)	(91,795)
Exchange differences	9,797	21,042
March 31	1,337,310	1,278,766

The amount of lease income recognized in relation to sublease of the above right-of-use assets for the three-month period ended March 31, 2025 is ₩1,010 million (March 31, 2024: ₩1,142 million).

(d) Changes in intangible assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
January 1	3,518,728	2,867,687
Acquisitions	108,710	85,274
Acquisitions by internal development	123,665	118,631
Disposals and others	(18,204)	(26,676)
Amortization	(134,817)	(120,507)
Impairment losses	(360)	(7,779)
Exchange differences	4,513	14,170
March 31	3,602,235	2,930,800

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(e) Line items including in amortization of intangible assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Cost of sales	88,533	83,176
Selling expenses	6,784	5,440
Administrative expenses	18,418	12,606
Research and development expenses	18,482	17,941
Service costs	2,600	1,331
Other non-operating expenses	-	7
Subtotal	134,817	120,501
Discontinued operations	-	6
Total	134,817	120,507

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11. Investments in associates and joint ventures

(a) Investments in associates and joint ventures

i) Carrying amounts of investments in associates and joint ventures, as of March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Associates	2,617,123	2,715,655
Joint ventures	59,545	60,000
Total	2,676,668	2,775,655

ii) Details of investments in associates as of March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won)</i>	March 31, 2025				December 31, 2024			
	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount
LG Display Co., Ltd.	1,115,249	2,303,859	(80,540)	2,223,319	1,115,249	2,402,229	(82,696)	2,319,533
Ericsson Korea Partners Co., Ltd. ¹	12,649	52,826	-	52,826	12,649	58,064	-	58,064
Hitachi-LG Data Storage Inc.(HLDS)	101,961	68,029	(923)	67,106	101,961	69,922	(930)	68,992
CCP-LGE OWNER, LLC. ²	11,652	9,936	-	9,936	11,652	10,142	-	10,142
ROBOTIS Co., Ltd. ²	9,000	8,146	-	8,146	9,000	7,862	-	7,862
Acryl Inc. ²	2,000	1,971	-	1,971	2,000	1,446	-	1,446
Robostar Co., Ltd.	88,112	78,972	(1,427)	77,545	88,112	79,999	(1,592)	78,407
AI-M Future, Inc. ²	800	404	-	404	800	456	-	456
Mirae Asset-LG Electronics New Growth Fund I ³	48,023	32,710	-	32,710	38,023	28,099	-	28,099
Rinse, Inc. ²	55,036	49,473	-	49,473	55,036	49,995	-	49,995
SideChef Group Limited	7,702	-	-	7,702	7,702	-	-	7,702
THE WAVE TALK, INC.	2,000	-	-	2,000	2,000	-	-	2,000
GOQUAL INC.	5,000	-	-	5,000	5,000	-	-	5,000
NOVA Prime Fund I, LP ²	16,889	15,888	-	15,888	16,889	16,261	-	16,261
BEAR ROBOTICS, INC. ²	56,076	46,922	-	46,922	56,076	51,267	-	51,267
Mo-Sys Holding Ltd ²	11,458	10,405	-	10,405	11,458	10,429	-	10,429
NOVAWAVE Fund I, LP ⁴	5,770	5,770	-	5,770	-	-	-	-
Total	1,549,377	2,685,311	(82,890)	2,617,123	1,533,607	2,786,171	(85,218)	2,715,655

¹ The entity has changed its name from Ericsson-LG Co., Ltd. to Ericsson Korea Partners Co., Ltd for the three-month period ended March 31, 2025.

² The financial statements as of February 28, 2025 were used due to a different closing date.

³ Investments in the entity were additionally acquired for the three-month period ended March 31, 2025.

⁴ The entity was newly acquired for the three-month period ended March 31, 2025.

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iii) Details of investments in joint ventures as of March 31, 2025 and December 31, 2024 are as follows:

(in millions of Korean won)	March 31, 2025				December 31, 2024			
	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount
Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	14,718	36,776	(2,000)	34,776	14,718	35,677	(163)	35,514
EIC PROPERTIES PTE LTD.	9,636	21,830	-	21,830	9,636	21,587	-	21,587
Neolite ZKW Lightings PVT Ltd.	-	-	-	-	-	-	-	-
GUANGDONG SMART LIFE TECHNOLOGY CO., LTD ¹	1,855	2,615	-	2,615	1,855	2,609	-	2,609
Alluto LLC.	2,095	324	-	324	2,095	290	-	290
Total	28,304	61,545	(2,000)	59,545	28,304	60,163	(163)	60,000

¹ The financial statements as of February 28, 2025 were used due to a different closing date.

(b) Associates and joint ventures

i) Details of associates as of March 31, 2025 are as follows:

Name of associate	Location	Closing month	Percentage of ownership (%)	Nature of relationships with the Group
LG Display Co., Ltd.	Korea	December	36.7	Production and supply of display products
Ericsson Korea Partners Co.,Ltd.	Korea	December	25.0	Supply of communication devices and network solution products
Hitachi-LG Data Storage Inc.(HLDS)	Japan	December	49.0	Production and supply of data Storages
CCP-LGE OWNER, LLC. ¹	USA	December	71.0	Solar power plant
ROBOTIS Co., Ltd. ²	Korea	December	7.2	Production and sales of personal robot
Acryl Inc. ²	Korea	December	11.1	Development and sales of software
Robostar Co., Ltd.	Korea	December	33.4	Production and sales of industrial robot
AiM Future, Inc. ²	Korea	December	11.7	A.I. solution
Mirae Asset-LG Electronics New Growth Fund I	Korea	December	50.0	Investment in technology start ups
Rinse, Inc.	USA	December	43.1	Laundry service
SideChef Group Limited ²	Hong Kong	December	17.0	Provision of smart kitchen contents service
THE WAVE TALK, INC. ²	Korea	December	3.7	Provision of joint development of microbial sensors
GOQUAL INC. ²	Korea	December	7.2	Supply of communication devices and network solution products
NOVA Prime Fund I, LP ¹	USA	December	79.3	Investment in new technology business
BEAR ROBOTICS, INC.	USA	December	24.9	Production and sales of commercial robot
Mo-Sys Holding Ltd. ²	UK	December	11.9	Virtual Production (VP) product sales and solution
NOVAWAVE Fund I, LP ¹	USA	December	87.5	Investment in new technology business

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¹ Classified as an associate because the Group does not have the right to control by an shareholders' agreement although its percentage of ownership is more than 50% .

² Classified as an associate because the Group can exercise a significant influence in the Board of Directors of the investee although its percentage of ownership is less than 20%.

ii) Joint ventures as of March 31, 2025 are as follows:

All joint arrangements, over which the Group has joint control, are structured through separate companies and are categorized as joint ventures as the parties with joint control are assumed to have rights to the net assets of the arrangement.

Name of joint venture	Location	Closing month	Percentage of ownership (%)	Nature of relationships with the Group
Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	Türkiye	December	50.0	Production and supply of air conditioning products
EIC PROPERTIES PTE LTD.	Singapore	December	38.2	Real estate rentals
Neolite ZKW Lightings PVT Ltd.	India	March	22.6	Production and sales of vehicle components
GUANGDONG SMART LIFE TECHNOLOGY CO., LTD.	China	December	35.0	Sales of electronic products
Alluto LLC. ¹	USA	December	51.0	Automotive software license

¹ Classified as a joint venture because the Group has joint control by a joint venture agreement although its percentage of ownership is more than 50%.

(c) Changes in investments in associates and joint ventures

i) Changes in the carrying amounts of investments in associates for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
January 1	2,715,655	2,946,619
Acquisition	15,770	518,878
Transfer	-	-
Gain (loss) on investments under equity method	(105,997)	(305,407)
Share of other comprehensive income (loss) of associates	(3,280)	81,908
Withdrawal of investments by dividend / capital reduction / liquidation and others	(5,000)	(17,500)
Changes in share of equity in associates	-	415
Exchange differences	(25)	-
March 31	2,617,123	3,224,913

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ii) Changes in the carrying amounts of investments in joint ventures for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
January 1	60,000	57,845
Acquisition	-	7,029
Gain (Loss) on investments under equity method	1,942	(4,303)
Share of other comprehensive income (loss) of joint ventures	(2,397)	(916)
Withdrawal of investments by dividend / capital reduction / liquidation and others	-	(925)
Exchange differences	-	(2)
March 31	59,545	58,728

(d) The summarized financial information on the associates that are material to the Group as of March 31, 2025 and December 31, 2024 and for each of the three-month periods ended March 31, 2025 and 2024 is as follows:

- LG Display Co., Ltd. and its subsidiaries

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Current assets	10,225,245	10,123,037
Non-current assets	21,762,563	22,736,529
Total assets	31,987,808	32,859,566
Current liabilities	15,898,949	15,859,084
Non-current liabilities	8,254,812	8,927,675
Total liabilities	24,153,761	24,786,759
Equity attributable to owners of LG Display Co., Ltd.	6,274,358	6,542,261
Non-controlling interests	1,559,689	1,530,546
Total equity	7,834,047	8,072,807

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Net sales	6,065,298	5,252,975
Profit (Loss) for the year	(237,032)	(761,276)
Equity attributable to the owners of the Parent Company		
Profit (Loss) for the year	(262,725)	(783,157)
Other comprehensive income (loss), net of tax	(5,178)	208,420
Total comprehensive income (loss), net of tax	(267,903)	(574,737)

Dividends receivable from LG Display Co., Ltd. for the three-month period ended March 31, 2025 are nil (2024: nil).

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(e) Reconciliations of the summarized financial information of associates that are material to the Group to the carrying amount of the Group's interest for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

- LG Display Co., Ltd. and its subsidiaries

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Opening equity attributable to the owners of the Parent Company	6,542,261	7,232,182
Paid-in capital increase	-	1,280,814
Profit (Loss) for the year	(262,725)	(783,157)
Other comprehensive income (loss), net of tax	(5,178)	208,420
Closing equity attributable to the owners of the Parent Company	6,274,358	7,938,259
Group ownership (%)	36.7	36.7
The Group's share as of March 31, 2025	2,303,859	3,008,885
Unrealized gain (loss)	(80,540)	(139,837)
Carrying amount as of March 31, 2025	2,223,319	2,869,048

(f) The Group's shares in the operating results of the individually insignificant associates and joint ventures for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025		For the three-month period ended March 31, 2024	
	Associates	Joint ventures	Associates	Joint ventures
Profit (loss) for the period	(12,532)	3,780	(10,200)	(3,793)
Other comprehensive income (loss), net of tax	(1,411)	(2,397)	81,906	(913)
Total comprehensive income (loss), net of tax	(13,943)	1,383	71,706	(4,706)

(g) There is no accumulated unrecognized change in equity due to discontinued use of the equity method for three-month period ended March 31, 2025.

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(h) Details of marketable investments in associates as of March 31, 2025 and December 31, 2024 are as follows:

March 31, 2025					
Name of associate	Type	Shares held (Unit: shares)	Price per share (Unit: Korean won)	Fair value (in millions of Korean won)	Carrying amount
LG Display Co., Ltd.	Associate	183,593,206	8,810	1,617,456	2,223,319
Robostar Co.,Ltd.	Associate	3,256,500	22,000	71,643	77,545
ROBOTIS Co.,Ltd.	Associate	961,550	31,600	30,385	8,146
December 31, 2024					
Name of associate	Type	Shares held (Unit: shares)	Price per share (Unit: Korean won)	Fair value (in millions of Korean won)	Carrying amount
LG Display Co., Ltd.	Associate	183,593,206	9,130	1,676,206	2,319,533
Robostar Co.,Ltd.	Associate	3,256,500	21,900	71,317	78,407
ROBOTIS Co.,Ltd.	Associate	961,550	23,250	22,356	7,862

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12. Borrowings

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Current		
Short-term borrowings	893,099	564,410
Current portion of long-term borrowings	1,737,418	1,834,943
Current portion of debentures	729,441	489,907
Subtotal	3,359,958	2,889,260
Non-current		
Long-term borrowings	4,733,250	4,713,325
Debentures	5,802,416	6,379,957
Subtotal	10,535,666	11,093,282
Total	13,895,624	13,982,542

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

<i>(in millions of Korean won)</i>	Latest maturity date	Annual interest rate at March 31, 2025 (%)	Carrying amount	
			March 31, 2025	December 31, 2024
Short-term borrowings in local currency				
Korea Development Bank and others	-	3.65 ~ 5.84	113,970	66,970
Short-term borrowings in foreign currency				
Citibank and others ¹	-	2.45 ~ 10.58	779,129	497,440
Long-term borrowings in local currency				
The Export-Import Bank of Korea and others	Jan. 9, 2035	2.31 ~ 5.13	3,799,250	3,721,536
Long-term borrowings in foreign currency				
The Export-Import Bank of Korea and others	May 30, 2034	0.67 ~ 6.61	2,671,418	2,826,732
Local currency debentures				
Public, non-guaranteed bonds	May 4, 2036	1.59 ~ 4.35	3,460,000	3,750,000
Private, non-guaranteed bonds	Feb. 9, 2041	1.99 ~ 5.15	1,080,000	1,130,000
Foreign currency debentures				
Public, non-guaranteed bonds	Apr. 24, 2029	5.63	1,173,200	1,176,000
Private, non-guaranteed bonds	Jan. 8, 2031	1.32 ~ 6.23	767,918	764,512
Private, guaranteed bonds	Oct. 26, 2026	5.97	73,325	73,500
Less: discount on debentures			(22,586)	(24,148)
Total			13,895,624	13,982,542

¹ The above short-term borrowings in foreign currency include the short-term borrowings collateralized by trade receivables amounting to ₩58,412 million as of March 31, 2025 (December 31, 2024: ₩43,462 million).

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The Group entered into cross-currency swap and interest rate swap contracts to hedge cash flow risk related to floating interest rates and foreign exchange rates of certain portion of borrowings (See Note 29).

The principal and interests of certain private guaranteed bonds are guaranteed by Shinhan Bank (See Note 27).

13. Lease liabilities

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Lease liabilities		
Current	389,362	385,675
Non-current	883,682	874,185
Total	1,273,044	1,259,860

(b) The amounts, relating to leases, recognized in the consolidated statements of profit or loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Interest expense relating on lease liabilities	15,525	13,000
Short-term lease payments (included in cost of sales, selling and administrative expenses, and others)	15,682	15,603
Payments for leases of low-value assets that are not short-term leases (included in cost of sales, selling and administrative expenses, and others)	7,737	7,653
Expense relating to variable lease payments not included in the measurement of lease liabilities (included in selling and administrative expenses, and others)	20,048	25,361
Subtotal	58,992	61,617
Discontinued operations	565	652
Total	59,557	62,269

Depreciation of right-of-use assets is stated in Note 10.

(c) Total expenses for leases including short-term leases and leases of low-value assets for the three-month period ended March 31, 2025 are ₩164,952 million (March 31, 2024: ₩136,744 million).

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14. Retirement benefits

14.1 Defined benefit plan

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Present value of funded obligations	4,841,077	4,752,436
Present value of unfunded obligations	79,971	82,327
Subtotal	4,921,048	4,834,763
Fair value of plan assets	(5,091,168)	(5,194,865)
Net defined benefit liabilities (assets)	(170,120)	(360,102)

(b) The amounts recognized in the consolidated statements of profit or loss for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Current service cost	111,765	113,683
Past service cost	6,778	-
Net interest cost	(2,903)	(4,843)
Operating management cost	1,380	1,503
Total	117,020	110,343

(c) Line items in which expenses are included for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Cost of sales	53,813	51,497
Selling expenses	22,013	19,479
Administrative expenses	10,819	10,275
Research and development expenses	21,134	20,467
Service costs	9,147	8,563
Other non-operating expenses	86	51
Subtotal	117,012	110,332
Discontinued operations	8	11
Total	117,020	110,343

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(d) Changes in the present values of defined benefit obligations for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

(in millions of Korean won)	For the three-month period ended March 31,	For the three-month period ended March 31,
	2025	2024
January 1	4,834,763	4,623,089
Current service cost	111,765	113,683
Past service cost	6,778	-
Interest cost	45,693	51,162
Remeasurements for:		
- Actuarial loss (gain) arising from changes in financial assumptions	82,973	(11,250)
Benefits paid	(161,152)	(137,040)
Others ¹	228	3,043
March 31	4,921,048	4,642,687

¹ Others include effects of exchange rate changes.

(e) Changes in the fair values of plan assets for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

(in millions of Korean won)	For the three-month period ended March 31,	For the three-month period ended March 31,
	2025	2024
January 1	5,194,865	5,075,633
Interest income	48,596	56,005
Remeasurements of plan assets	(2,745)	(5,811)
Employer contributions	3,748	1,287
Benefits paid	(152,063)	(135,449)
Operating management cost	(1,380)	(1,503)
Others ¹	147	589
March 31	5,091,168	4,990,751

¹ Others include effects of exchange rate changes.

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Weighted average of discount rate of the Group	3.7%	3.9%
Weighted average of expected salary growth rate of the Group	4.9%	4.9%

As of March 31, 2025, the discount rates applied to the Parent Company and subsidiaries are within the range of 1.2% and 11.7% (December 31, 2024: 1.2% and 11.7%), and the expected salary growth rates are within the range of 0.0% and 10.0% (December 31, 2024: 0.0% and 10.0%).

(g) The sensitivity analysis on defined benefit obligations to changes in principal assumptions as of March 31, 2025 is as follows:

<u>(in millions of Korean won)</u>	<u>1%p increase</u>	<u>1%p decrease</u>
Discount rate	(403,027)	462,430
Expected salary growth rate	470,000	(415,922)

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 be occurred 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.

14.2 Defined contribution plan

The expense recognized in relation to defined contribution plan for the three-month period ended March 31, 2025 is ₩18,045 million (March 31, 2024: ₩8,573 million).

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15. Provisions

Changes in provisions for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

For the three-month period ended March 31, 2025				
<i>(in millions of Korean won)</i>	Sales warranty	Restoration	Litigation and others	Total
January 1	1,491,550	60,602	207,562	1,759,714
Additions ¹	176,916	1,810	42,249	220,975
Utilization	(322,986)	(773)	(15,605)	(339,364)
Exchange differences	7,693	556	2,144	10,393
March 31	1,353,173	62,195	236,350	1,651,718
Current	1,249,762	12,918	106,645	1,369,325
Non-current	103,411	49,277	129,705	282,393

For the three-month period ended March 31, 2024				
<i>(in millions of Korean won)</i>	Sales warranty	Restoration	Litigation and others	Total
January 1	1,001,682	52,511	322,927	1,377,120
Additions ¹	179,152	1,553	4,881	185,586
Utilization	(204,613)	(661)	(20,972)	(226,246)
Exchange differences	8,087	179	4,942	13,208
March 31	984,308	53,582	311,778	1,349,668
Current	887,295	11,229	119,668	1,018,192
Non-current	97,013	42,353	192,110	331,476

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

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16. Paid-in capital

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

	Par value per share	March 31, 2025		December 31, 2024	
		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 same rights on the remaining assets as ordinary shareholders. Repayment and conversion are not applicable to preferred shares.

(b) Share premium balance as of March 31, 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 Parent Company's capital of ₩783,961 million and less the Parent 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 right and warrants in 2005 and 2006 are 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.

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17. Retained earnings

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Legal reserves ¹	291,883	273,791
Voluntary reserves	7,156,302	6,147,421
Unappropriated retained earnings ²	9,555,751	9,931,561
Total	17,003,936	16,352,773

¹ The *Commercial Act* of the Republic of Korea requires the Parent 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 share capital. The reserve is not available for the payment of cash dividends, but may be transferred to share capital 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 Shareholders' Meeting held on March 25, 2025 and was paid in April 2025 (dividend paid in 2024: ₩234,945 million).

18. Accumulated other comprehensive income (loss)

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Accumulated share of other comprehensive income (loss) of associates and joint ventures	351,252	356,353
Cash flow hedge	(3,858)	(7,761)
Financial assets at fair value through other comprehensive income	(12,680)	(12,232)
Exchange differences on translation of foreign operations	820,638	476,553
Subtotal	1,155,352	812,913
Accumulated other comprehensive income (loss) held for sale	(184)	(457)
Total	1,155,168	812,456

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19. Other components of equity

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

<i>(in millions of Korean won)</i>	March 31, 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
Capital transactions within the Group and others ²	(132,038)	(129,989)
Total	(164,857)	(162,808)

¹ The Parent Company has treasury shares consisting of 763,176 ordinary shares (December 31, 2024: 763,176 shares) and 4,693 preferred shares (December 31, 2024: 4,693 shares) as of March 31, 2025. The Parent Company intends to either grant these treasury shares to employees and directors as compensation or to sell them in the future. 761,427 ordinary shares acquired not exceeding the extent of distributable profits are planned to be retired within 2025.

² Including gain (loss) from transactions with non-controlling interests and other reserves of subsidiaries net of deferred taxes.

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20. Net sales

(a) Details of net sales for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Revenue from contracts with customers:		
Sales of goods	21,495,588	20,116,434
Rendering of services and others	735,603	624,525
Subtotal	22,231,191	20,740,959
Revenue from other sources		
Rental income and others	508,621	354,906
Subtotal	22,739,812	21,095,865
Discontinued operations	-	84
Total	22,739,812	21,095,949

(b) Details of revenue from contracts with customers for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
By type of products:		
Refrigerator/washing machine and others	6,319,966	5,855,029
TV/audio/monitor/PC and others	4,899,972	5,035,231
In-vehicle infotainment and others	2,842,511	2,661,384
Air conditioner and others	2,969,764	2,532,272
Camera module and others	4,981,864	4,331,656
Others ¹	217,114	325,387
By major geographical market ² :		
Korea	8,325,530	7,859,200
America	5,450,043	5,242,230
Europe	3,691,310	3,344,370
Asia & Africa, etc.	4,764,308	4,295,159
Timing of revenue recognition:		
At a point in time	21,190,221	19,644,640
Over time	1,040,970	1,096,319
Total	22,231,191	20,740,959

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

² Sales by major geographical market are the sales by region in which the Group is located.

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(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 the three-month period ended March 31, 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 three-month period ended March 31, 2025 and the succeeding periods are as follows:

<i>(in millions of Korean won)</i>	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
	74,746	65,635	(5,088)	14,199

¹ The effects of exchange rate fluctuations are included.

21. Expenses by nature

Details of expenses that are classified by nature for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Changes in finished goods and work-in-process	(144,961)	(899,429)
Raw materials and merchandise used	14,063,826	13,553,100
Employee benefit expense	2,744,643	2,551,946
Depreciation and amortization	858,052	846,989
Advertisement	282,056	306,484
Sales promotion	89,157	111,351
Freight	784,528	691,391
Commission	1,406,690	1,295,222
Other expenses	1,396,762	1,303,634
Subtotal¹	21,480,753	19,760,688
Discontinued operations	1,542	(149)
Total	21,482,295	19,760,539

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

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22. 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 periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Continuing operations		
Salaries	1,100,738	1,015,784
Retirement benefits	76,227	74,373
Employee welfare benefits	262,347	241,737
Freight	779,494	686,246
Rents	21,350	21,299
Commission	1,053,152	956,995
Depreciation	182,308	163,864
Amortization	46,284	37,312
Advertisement	282,056	306,484
Sales promotion	89,157	111,351
R&D	56,111	65,923
Direct service costs	159,882	128,278
Bad debts expense	5,282	2,554
Others	217,816	237,601
Subtotal	4,332,204	4,049,801
Discontinued operations	1,607	(261)
Total	4,333,811	4,049,540

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23. Finance income and expenses

(a) Details of finance income for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March	For the three-month period ended March
<i>(in millions of Korean won)</i>	31, 2025	31, 2024
Continuing operations		
Interest income	107,201	137,140
Exchange differences	195,347	192,634
Gain on derivatives	11,826	17,844
Subtotal	314,374	347,618
Discontinued operations	-	895
Total	314,374	348,513

(b) Details of finance expenses for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March	For the three-month period ended March
<i>(in millions of Korean won)</i>	31, 2025	31, 2024
Continuing operations		
Interest expense	151,478	134,138
Exchange differences	241,977	141,985
Loss on derivatives	6,672	2,549
Loss on disposal of trade receivables	5,733	9,664
Others	661	669
Subtotal	406,521	289,005
Discontinued operations	-	11,875
Total	406,521	300,880

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

(a) Details of other non-operating income for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
<i>(in millions of Korean won)</i>		
Continuing operations		
Dividend income	422	257
Exchange differences	582,092	513,501
Gain on derivatives	7,847	3,649
Gain on disposal of property, plant and equipment	2,032	3,148
Gain on disposal of intangible assets	1	-
Gain on valuation of financial assets at fair value through profit or loss	1,729	49
Others	8,911	17,402
Subtotal	603,034	538,006
Discontinued operations	12	23
Total	603,046	538,029

(b) Details of other non-operating expenses for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
<i>(in millions of Korean won)</i>		
Continuing operations		
Exchange differences	515,989	578,528
Loss on derivatives	14,096	8,394
Loss on disposal of property, plant and equipment	2,783	2,633
Impairment loss on property, plant and equipment	3,301	18,878
Loss on disposal of intangible assets	6,295	7,704
Impairment loss on intangible assets	360	7,779
Loss on valuation of financial assets at fair value through profit or loss	3,763	1,381
Others	1,219	7,654
Subtotal	547,806	632,951
Discontinued operations	430	54
Total	548,236	633,005

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25. Earnings (Losses) per share

The Parent 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 periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Profit (Loss) attributable to ordinary shares <i>(in millions of Korean won)</i>	722,573	429,260
Profit (Loss) from continuing operations	723,883	436,482
Profit (Loss) from discontinued operations	(1,310)	(7,222)
Weighted average number of ordinary shares outstanding <i>(in number of shares)</i>	162,884,638	162,884,638
Basic earnings (losses) per ordinary share <i>(in Korean won)</i>	4,436	2,635
Profit (Loss) from continuing operations	4,444	2,680
Profit (Loss) from discontinued operations	(8)	(45)

(b) Details of basic earnings (losses) per preferred share for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Profit (loss) attributable to preferred shares <i>(in millions of Korean won)</i>	76,433	45,494
Profit (Loss) from continuing operations	76,571	46,255
Profit (Loss) from discontinued operations	(138)	(761)
Weighted average number of preferred shares outstanding <i>(in number of shares)</i>	17,181,299	17,181,299
Basic earnings (losses) per preferred share <i>(in Korean won)</i>	4,449	2,648
Profit (Loss) from continuing operations	4,457	2,693
Profit (Loss) from discontinued operations	(8)	(45)

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26. Cash flow information

Cash flows from operating activities are prepared using the indirect method. Details of cash generated from operations for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

(a) Cash generated from operations

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Profit (Loss) for the period	875,618	585,415
Adjustments:		
Interest expense, net	44,277	(3,002)
Exchange differences, net	(25,533)	34,519
Gain (loss) on derivatives, net	1,095	(10,550)
Depreciation	722,769	725,266
Amortization	134,817	120,501
Gain (loss) on disposal of property, plant and equipment and intangible assets, net	7,045	7,189
Provisions for retirement benefits	117,012	110,332
Additional provisions, net	220,231	186,789
Income tax expense	241,019	395,737
Gain (Loss) on investments under equity method, net	104,055	309,710
Others	127	35,436
Discontinued operations	(813)	6,134
	<u>1,566,101</u>	<u>1,918,061</u>
Changes in operating assets and liabilities		
Decrease (Increase) in trade receivables	(1,106,847)	(615,213)
Decrease (Increase) in other receivables	103,226	(118,494)
Decrease (Increase) in inventories	201,615	(717,550)
Decrease (Increase) in contract assets	9,237	(68,053)
Decrease (Increase) in other assets	63,173	(143,057)
Increase (Decrease) in trade payables	361,719	230,794
Increase (Decrease) in other payables	(943,316)	(586,699)
Increase (Decrease) in provisions	(339,364)	(226,246)
Increase (Decrease) in contract liabilities	221,447	233,982
Increase (Decrease) in other liabilities	(260,076)	(344,629)
Payment of defined benefit liability	(9,089)	(1,591)
Deposit in plan assets, net	(3,748)	(1,287)
	<u>(1,702,023)</u>	<u>(2,358,043)</u>
Cash flows generated from operations	<u>739,696</u>	<u>145,433</u>

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

For the three-month period ended March 31, 2025								
(in millions of Korean won)	January 1	Cash flows from financing activities	Effects of other changes				Gain (Loss) on valuation and others	March 31
			Addition	Exchange differences (profit/loss)	Amortization	Effects of exchange rate changes		
Borrowings	7,112,678	205,441	-	21,939	-	23,709	-	7,363,767
Debentures	6,869,864	(342,635)	-	3,150	1,478	-	-	6,531,857
Lease liabilities	1,259,860	(106,383)	110,950	(50)	988	7,679	-	1,273,044
Net derivatives liabilities (assets)	(382,675)	2,635	-	(8,993)	(4,207)	-	(9,813)	(403,053)
Other payables	589,453	-	94	579	-	(1,256)	-	588,870
Total	15,449,180	(240,942)	111,044	16,625	(1,741)	30,132	(9,813)	15,354,485

For the three-month period ended March 31, 2024								
(in millions of Korean won)	January 1	Cash flows from financing activities	Effects of other changes				Gain (Loss) on valuation and others	March 31
			Addition	Exchange differences (profit/loss)	Amortization	Effects of exchange rate changes		
Borrowings	7,491,572	(15,957)	-	56,985	-	58,378	-	7,590,978
Debentures	5,829,239	122,883	-	23,619	823	-	-	5,976,564
Lease liabilities	1,193,023	(75,054)	54,893	(113)	579	13,927	-	1,187,255
Net derivatives liabilities (assets)	(123,743)	16,454	-	(51,956)	1,440	-	(27,466)	(185,271)
Other payables	271,413	-	-	2,393	-	9,218	-	283,024
Total	14,661,504	48,326	54,893	30,928	2,842	81,523	(27,466)	14,852,550

(c) Material non-cash transactions

(in millions of Korean won)	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Reclassification of construction-in-progress to property, plant and equipment	313,188	225,148
Reclassification of construction-in-progress to intangible assets	139,035	258,163
Reclassification of current portion of borrowings	732,934	549,887
Other payables related to the acquisition of property, plant and equipment	346,427	266,710
Other payables related to the acquisition of intangible assets	9,112	15,608
Acquisition of right-of-use assets	115,682	67,285

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27. Contingencies and commitments

27.1. Contingencies

(a) As of March 31, 2025, borrowings are collateralized by a certain property, plant and equipment (land, buildings), the collateral amount is ₩89,041 million (December 31, 2024: ₩89,459 million), and the carrying amount of the pledged assets is ₩157,009 million (December 31, 2024: ₩156,615 million). In addition, certain buildings of the Group have been pledged as collateral to the lessor's creditors, including Shinhan Bank to guarantee the obligations of the lessor of the land leased by the Group. The collateral amount under this arrangement is ₩12,480 million (December 31, 2024: ₩15,600 million), and the carrying amount of the pledged assets is ₩4,121 million (December 31, 2024: ₩4,076 million).

(b) As of March 31, 2025, the Parent Company and domestic subsidiaries are provided with performance guarantees of ₩448,255 million (December 31, 2024: ₩415,136 million) from Seoul Guarantee Insurance and others relating to the performance guarantees. LG Innotek Co., Ltd. is provided with guarantee of principal amounting to USD 50 million (December 31, 2024: USD 50 million) and interests from Shinhan Bank for the guaranteed private placement bonds.

(c) There are a number of legal actions, disputes and investigations arising from the normal course of business that remain pending as of March 31, 2025. The Group 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 Group's financial position.

As of March 31, 2025, LG Display Co., Ltd., an associate of the Group, is facing multiple patent-related lawsuits and is under investigation by relevant authorities for collusion allegations, with civil litigation also in progress. The outcome may affect the gain or loss on investments under equity method, but the Group is not individually responsible for the above suit or the ongoing investigation.

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27.2 Commitments

(a) As of March 31, 2025, the Group has borrowing agreements, such as overdraft facility agreements, trade financing and others, with various banks, including Shinhan Bank and others, with a limit of ₩8,871,324 million (December 31, 2024: ₩8,354,071 million).

(b) As of March 31, 2025, the Group has sales agreements for receivables with various banks including Hana Bank amounting to ₩6,074,759 million (December 31, 2024: ₩5,571,311 million).

(c) As of March 31, 2025, the Group has corporate trade receivables secured loan agreement by electronic settlement and mutually beneficial cooperation settlement with various banks, including Shinhan Bank, for up to ₩1,540,323 million (December 31, 2024: ₩1,527,311million) in connection with the payment of trade payables. In addition, the Group has entered into supply financing agreements with financial institutions to enhance the efficiency of the payment process and to provide early payment options to suppliers. Under these agreements, if a supplier that has provided goods or services to the Group transfers its trade receivables to a financial institution within the payment term, the Group will settle the amount directly with the financial institution. Since the supply financing agreements do not result in a substantial reduction of the Group's payment obligations or modification of payment terms, there is no change in the underlying liabilities recognized as trade payables or other payables.

(d) As of March 31, 2025, the Group has commercial paper agreements with Shinhan Bank and others for ₩40,000 million (December 31, 2024: ₩40,000 million).

(e) Contractual commitments for the acquisition of assets

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Property, plant and equipment	280,953	232,362
Intangible assets	33,636	35,241
Investments in associates and joint ventures	150,861	54,310
Total	465,450	321,913

Other than the above commitments, Zenith Electronics LLC(Zenith), a subsidiary, agreed to tender offers based on fair value at certain time in relation to the shares held by non-controlling shareholders of Alphonso Inc. and the shares to be issued by the exercise of stock options. As of March 31, 2025, the Group recognized this commitment as other payables.

In addition, the Parent Company agreed to tender offers based on fair value at certain time in relation to the shares held by non-controlling shareholders of Cybellum Technologies Ltd. and the shares to be issued by the exercise of stock options. As of March 31, 2025, the Group recognized this commitment as other payables and other financial liabilities. Regarding the shares held by non-controlling shareholders of Athom Holding B.V., the Parent Company agreed to purchase them at a certain time based on the acquisition price. The Group recognized this commitment as other payables as of March 31, 2025.

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(f) Operating lease commitments – Group as a lessor

i) The Group has non-cancellable operating lease agreements regarding home appliance rental business and investment properties. The future aggregate lease receipts under operating leases as of March 31, 2025 are as follows:

	March 31, 2025					Total lease payments
<i>(in millions of Korean won)</i>	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	
Home appliance rental	109,348	46,219	10,325	771	-	166,663
Real estate rental	5,423	5,423	4,101	104	-	15,051
Total	114,771	51,642	14,426	875	-	181,714

ii) The Group recognized ₩66,716 million (March 31, 2024: ₩95,361 million) in lease income for the three-month period ended March 31, 2025.

(g) Finance lease commitments – Group as lessor

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

	March 31, 2025		December 31, 2024	
<i>(in millions of Korean won)</i>	Gross investment in the lease¹	Net Investment in the lease	Gross investment in the lease¹	Net Investment in the lease
Within one year	497,498	357,657	406,817	289,031
Between 1 and 2 years	507,523	394,407	421,249	325,252
Between 2 and 3 years	510,450	426,783	426,058	354,207
Between 3 and 4 years	481,928	429,319	407,256	361,266
Later than 4 years	567,358	538,800	504,549	478,712
Total	2,564,757	2,146,966	2,165,929	1,808,468

¹ There are no unguaranteed residual value reflected on the gross investment in the lease.

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

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Gross investment in the lease	2,564,757	2,165,929
Net investment in the lease	2,146,966	1,808,468
Unrealized interest income	417,791	357,461

iii) For the three-month period ended March 31, 2025, the Group recognized income amounting to ₩434,259 million (March 31, 2024: ₩250,202 million) in relation to finance lease contract, and finance income net investment in the lease amounting to ₩34,438 million (March 31, 2024: ₩12,255 million) is included.

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(h) License agreements including patent and trademark

As of March 31, 2025, the Group 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 of license	All products	LG Electronics Inc.	Panasonic Corporation and others
Use of trademarks	All products	LG Corp.	LG Electronics Inc.
Use of trademarks	Vehicle components	Magna International Inc.	LG Electronics Inc.

28. Related party

(a) Major transactions for each of the three-month periods ended March 31, 2025 and 2024 and transaction balances of receivables from and payables to the related parties as of March 31, 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 three-month period ended March 31, 2025					
		Income transactions			Expense transactions		
Classification	Name	Sales	Others	Total	Purchases	Others	Total
Significantly influencing the Group	LG Corp.	1,287	-	1,287	-	46,738	46,738
Associates	LG Display Co., Ltd. And its subsidiaries	73,436	23,638	97,074	783,471	160	783,631
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	124	-	124	5,657	-	5,657
	Acryl Inc.	-	-	-	-	436	436
	ROBOTIS Co., Ltd.	-	-	-	24	-	24
	Robostar Co., Ltd. and its subsidiaries	6	-	6	1,970	839	2,809
	GOQUAL INC.	-	-	-	1	1	2
	Subtotal	73,566	23,638	97,204	791,123	1,436	792,559
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	37,058	-	37,058	13,886	4	13,890
	EIC PROPERTIES PTE LTD.	-	-	-	-	240	240
	Subtotal	37,058	-	37,058	13,886	244	14,130
Other related parties	LG CNS Co., Ltd. and its subsidiaries	2,494	859	3,353	37,332	186,520	223,852
	D&O Corp. Ltd. and its subsidiaries	226	-	226	25	10,885	10,910
	LG Management Development Institute	16	-	16	20	29,597	29,617
	LG SPORTS Ltd.	6	-	6	280	2,761	3,041
	LG Holdings Japan Co., Ltd.	-	-	-	-	244	244
	Subtotal	2,742	859	3,601	37,657	230,007	267,664

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		For the three-month period ended March 31, 2025					
Classification	Name	Income transactions			Expense transactions		
		Sales	Others	Total	Purchases	Others	Total
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	276,960	66,513	343,473	143,091	25	143,116
	LG Uplus Corp and its subsidiaries	6,802	646	7,448	10,766	2,435	13,201
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	32	614	646	-	146	146
	HS Ad Inc. and its subsidiaries	3,860	-	3,860	24	102,560	102,584
	Subtotal	287,654	67,773	355,427	153,881	105,166	259,047
Total		402,307	92,270	494,577	996,547	383,591	1,380,138

(in millions of Korean won)

		For the three-month period ended March 31, 2024					
Classification	Name	Income transactions			Expense transactions		
		Sales	Others	Total	Purchases	Others	Total
Significantly influencing the Group	LG Corp.	167	-	167	-	43,679	43,679
Associates	LG Display Co., Ltd. and its subsidiaries	109,445	27,722	137,167	690,327	103	690,430
	Hitachi-LG Data Storage Inc. (HLDs) and its subsidiaries	97	-	97	3,557	-	3,557
	Acryl Inc.	-	-	-	-	676	676
	ROBOTIS Co., Ltd.	-	-	-	-	20	20
	Robostar Co., Ltd. and its subsidiaries	6	-	6	372	107	479
	Subtotal	109,548	27,722	137,270	694,256	906	695,162
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	34,632	-	34,632	33,825	6	33,831
	EIC PROPERTIES PTE LTD.	-	-	-	-	299	299
	LG-MRI LLC ²	-	-	-	2,281	-	2,281
	LG-LHT Passenger Solution GmbH ³	23	-	23	-	-	-
	Subtotal	34,655	-	34,655	36,106	305	36,411
Other related parties	LG CNS Co., Ltd. and its subsidiaries	19,714	796	20,510	31,874	163,690	195,564
	D&O Corp., LTD. and its subsidiaries	33	-	33	26	9,453	9,479
	LG Management Development Institute	14	-	14	9	26,333	26,342
	LG SPORTS Ltd.	4	-	4	280	2,739	3,019
	LG Holdings Japan Co., Ltd.	-	-	-	-	302	302
	Subtotal	19,765	796	20,561	32,189	202,517	234,706
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	451,387	3,891	455,278	163,862	2,346	166,208
	LG Uplus Corp and its subsidiaries	6,504	592	7,096	9,639	996	10,635
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	2,121	609	2,730	-	155	155
	HS Ad Inc. and its subsidiaries	2,019	-	2,019	51	102,203	102,254
	XI C&A Co., Ltd. and its subsidiaries ⁴	1,113	-	1,113	-	74,478	74,478
	S&I Corp. and its subsidiaries ⁴	4,355	-	4,355	1,103	27,422	28,525

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		For the three-month period ended March 31, 2024					
Classification	Name	Income transactions			Expense transactions		
		Sales	Others	Total	Purchases	Others	Total
Subtotal		467,499	5,092	472,591	174,655	207,600	382,255
Total		631,634	33,610	665,244	937,206	455,007	1,392,213

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

² The entity was liquidated during the year ended December 31, 2024.

³ The entity was disposed of during the year ended December 31, 2024.

⁴ Excluded from the large-scale business group under the *Monopoly Regulation and Fair Trade Act* as of March 19, 2024.

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

(in millions of Korean won)

		March 31, 2025							
Classification	Name	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ³	Total
Significantly influencing the Group	LG Corp.	470	-	28,608	29,078	-	-	62,077	62,077
Associates	LG Display Co., Ltd. and its subsidiaries	84,193	1,000,000	262,339	1,346,532	521,192	-	127,342	648,534
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	-	-	-	-	6,249	-	3	6,252
	Acryl Inc.	-	-	-	-	-	-	479	479
	Ericsson Korea Partners Co., Ltd. ²	-	-	5,000	5,000	-	-	-	-
	ROBOTIS Co., Ltd.	-	-	-	-	26	-	-	26
	Robostar Co., Ltd. and its subsidiaries	-	-	-	-	136	-	5,379	5,515
	Subtotal	84,193	1,000,000	267,339	1,351,532	527,603	-	133,203	660,806
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	34,344	-	-	34,344	37,532	-	14	37,546
	EIC PROPERTIES PTE LTD.	-	-	-	-	-	-	88	88
	Subtotal	34,344	-	-	34,344	37,532	-	102	37,634
Other related parties	LG CNS Co., Ltd. and its subsidiaries	15,203	-	1,164	16,367	24,928	-	217,448	242,376
	D&O Corp., LTD. and its subsidiaries	16	-	1,000	1,016	32	-	6,607	6,639
	LG Management Development Institute	8	-	-	8	-	-	2,169	2,169
	LG SPORTS Ltd.	1	-	-	1	-	-	1,523	1,523
	LG Holdings Japan Co., Ltd.	-	-	5,940	5,940	-	-	9,250	9,250
	Subtotal	15,228	-	8,104	23,332	24,960	-	236,997	261,957

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		March 31, 2025							
Classification	Name	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ³	Total
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	300,290	-	685,505	985,795	181,307	-	79,914	261,221
	LG Uplus Corp and its subsidiaries	754	-	264	1,018	1,700	-	2,174	3,874
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	21	-	19	40	23	-	126	149
	HS Ad Inc. and its subsidiaries	39	-	1,225	1,264	1,360	-	200,423	201,783
	Subtotal	301,104	-	687,013	988,117	184,390	-	282,637	467,027
Total		435,339	1,000,000	991,064	2,426,403	774,485	-	715,016	1,489,501

(in millions of Korean won)

		December 31, 2024							
Classification	Name	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ³	Total
Significantly influencing the Group	LG Corp.	59	-	28,273	28,332	-	-	37,804	37,804
Associates	LG Display Co., Ltd. and its subsidiaries	101,054	1,000,000	254,115	1,355,169	588,628	-	51,642	640,270
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	-	-	-	-	6,593	-	3	6,596
	Robostar Co., Ltd. and its subsidiaries	-	-	-	-	311	-	6,015	6,326
	Subtotal	101,054	1,000,000	254,115	1,355,169	595,532	-	57,660	653,192
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	15,911	-	-	15,911	11,792	-	2	11,794
	EIC PROPERTIES PTE LTD.	-	-	-	-	-	-	88	88
	Subtotal	15,911	-	-	15,911	11,792	-	90	11,882
Other related parties	LG CNS Co., Ltd. and its subsidiaries	13,808	-	1,311	15,119	17,311	-	572,040	589,351
	D&O Corp., LTD. and its subsidiaries	6	-	1,000	1,006	22	-	7,778	7,800
	LG Management Development Institute	8	-	7	15	-	-	1,516	1,516
	LG SPORTS Ltd.	2	-	-	2	-	-	972	972
	LG Holdings Japan Co., Ltd.	-	-	5,666	5,666	-	-	10,202	10,202
	Subtotal	13,824	-	7,984	21,808	17,333	-	592,508	609,841
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	334,191	-	638,076	972,267	165,787	-	77,311	243,098
	LG Uplus Corp and its subsidiaries	3,108	-	590	3,698	1,323	-	3,056	4,379
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	23	-	277	300	24	-	789	813
	HS Ad Inc. and its subsidiaries	38	-	1,226	1,264	791	-	287,156	287,947

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		December 31, 2024							
Classification	Name	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ³	Total
	Subtotal	337,360	-	640,169	977,529	167,925	-	368,312	536,237
	Total	468,208	1,000,000	930,541	2,398,749	792,582	-	1,056,374	1,848,956

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

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

³ Other payables include lease liabilities.

iii) Major capital transactions and others with the related parties

(in millions of Korean won)

		For the three-month period ended March 31, 2025						
		Dividend income	Dividend paid ⁴	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ⁵	
					Loans	Collections	Borrowings	Repayments
Significantly influencing the Group	LG Corp.	-	28,717	-	-	-	-	7,552
Associates	LG Display Co., Ltd. ¹	-	-	-	-	-	-	544
	Ericsson Korea Partners Co., Ltd. ²	5,000	-	-	-	-	-	-
	Mirae Asset-LG Electronics New Growth Fund I	-	-	10,000	-	-	-	-
	Subtotal	5,000	-	10,000	-	-	-	544
Other related parties	LG CNS Co., Ltd. and its subsidiaries	-	-	-	-	-	-	-
	D&O Corp. and its subsidiaries	-	-	-	-	-	-	438
	LG Holdings Japan Co., Ltd.	-	-	-	-	-	-	1,400
	Subtotal	-	-	-	-	-	-	1,838
	Total	5,000	28,717	10,000	-	-	-	9,934

(in millions of Korean won)

		For the three-month period ended March 31, 2024						
		Dividend income	Dividend paid ⁴	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ⁵	
					Loans	Collections	Borrowings	Repayments
Significantly influencing the Group	LG Corp.	-	44,076	-	-	-	-	7,192
Associates	LG Display Co., Ltd. ¹	-	-	436,031	-	-	-	526
	Ericsson-LG Co., Ltd. ²	17,500	-	-	-	-	-	-
	NOVA Prime Fund I, LP	-	-	4,181	-	-	-	-
	LG-LHT Aircraft Solutions GmbH3	-	-	3,514	-	-	-	-
	LG-LHT Passenger Solutions GmbH3	-	-	3,514	-	-	-	-

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		For the three-month period ended March 31, 2024						
		Dividend income	Dividend paid ⁴	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ⁵	
					Loans	Collections	Borrowings	Repayments
Subtotal		17,500	-	447,240	-	-	-	526
Other related parties	D&O Corp. and its subsidiaries	-	-	-	-	-	99	416
	LG Holdings Japan Co., Ltd.	-	-	-	-	-	-	1,227
Subtotal		-	-	-	-	-	99	1,643
Total		17,500	44,076	447,240	-	-	99	9,361

¹ As of March 31, 2025, the Parent Company has entered into a loan agreement with LG Display Co., Ltd. for ₩1,000,000 million, and has been provided with collateral related thereto. As of March 31, 2025, ₩1,000,000 million has been executed.

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 disposed of for the year ended December 31, 2024.

⁴ Presenting the dividend declared which is recognized as other payables as of March 31, 2025.

⁵ Repayments include repayments of lease liabilities.

(b) The compensations paid or payable to key management personnel for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

(in millions of Korean won)	For the three-month period ended March 31,	For the three-month period ended March 31,
	2025	2024
Salaries and other short-term benefits	7,472	8,836
Retirement benefits	635	560
Other long-term benefits	-	1
Total	8,107	9,397

Key management refers to the directors who have material control and responsibilities on the Group's business plans, operations and control. There is no collateral provided by the Group for the financial support of the related parties as of March 31, 2025.

(c) There is no collateral provided by the Group for the financial support of the related parties as of March 31, 2025.

(d) The Group has not recognized any bad debt expense or allowance for trade receivables from the related parties as of March 31, 2025.

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29. Risk management

29.1 Financial risk management

The Group'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 Group to enhance cost competitiveness through cost-efficient financing cost by improving financial structure and effectiveness of cash management.

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

The Group anticipatively and systematically manages the financial risks over global business activities through its four overseas treasury centers in New Jersey (United States), Amsterdam (Netherlands), Beijing (China), and Singapore in coordination with Finance Division in the Parent Company. And it also helps to improve overseas subsidiaries' business competitiveness by performing integration of their finance functions.

The Group mitigates the adverse effects from financial risk by monitoring the risk periodically and updating 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 5 and Note 12, respectively.

(a) Market risk

i) Foreign exchange risk

Due to its multinational business operations, the Group is exposed to foreign exchange risk on various currencies. The Group 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 Group's foreign exchange risk management is implemented under its own foreign exchange policy which regulate the measure and the management of foreign exchange risk. The Group can minimize the exposure to foreign exchange risk by preferentially making equal amount of foreign exchange assets and liabilities from general operating activities by using this policy. Accordingly, the Group 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.

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As of March 31, 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 profits (losses) before tax would be as follows:

<i>(in millions of Korean won)</i>	March 31, 2025		December 31, 2024	
	10% increase	10% decrease	10% increase	10% decrease
USD/KRW	159,570	(159,570)	104,160	(104,160)
EUR/KRW	41,524	(41,524)	27,940	(27,940)

ii) Interest rate risk

The Group is exposed to interest rate risk through 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 Group minimizes its borrowings from others and optimizes its deposits by expanding internal finance sharing. The Group 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 three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025		For the three-month period ended March 31, 2024	
	1%p increase	1%p decrease	1%p increase	1%p decrease
Interest income	17,185	(17,185)	17,507	(17,507)
Interest expense	4,261	(4,261)	5,380	(5,380)

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iii) Details of derivatives contracts are as follows:

Derivatives for hedging purposes

The Group entered into the cross-currency swap and the 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:

Classification	Contractor	Contracted amount (in millions)	Contracted currency rate	Interest rate (paid) (%)	Types of hedging	Starting date	Expiration date	Carrying amount (in millions of Korean won)	
								Assets	Liabilities
Cross-currency swap	Hana Bank and others	USD 1,968 (USD/KRW)	1,067.90 ~ 1,380.30	1.88 ~ 4.56	Cash flow hedge	Oct. 23, 2017 ~ Sep. 24, 2024	Apr. 23, 2025 ~ Jul. 28, 2031	382,227	-
	CITI Bank	EUR 95 (EUR/KRW)	1,312.50	3.84	Cash flow hedge	Jul. 15, 2022	Jan. 14, 2028	23,062	-
	CITI Bank and others	JPY 22,000 (JPY/KRW)	8.7 ~ 10.0	4.06 ~ 4.38	Cash flow hedge	Apr. 4, 2023 ~ Nov. 24, 2023	Apr. 4, 2029 ~ May 24, 2029	9,943	8,690
Interest rate swap	Woori Bank and others	KRW 1,266,821 / USD 203	-	2.75 ~ 5.66	Cash flow hedge	Apr. 30, 2014 ~ Mar. 29, 2024	Jan. 15, 2027 ~ Nov. 16, 2032	9,058	20,862
Currency forward	ING and others	EUR 47 (EUR/USD)	0.94	-	Fair value hedge	Dec. 19, 2024	Dec. 17, 2025	2,434	-

Interest rates received for the above derivative contracts are equal to annual interest rates of borrowings (See Note 12).

Details of hedged items are as follows:

<i>(in millions of Korean won)</i>	Types of hedging	Hedged items	Carrying amount	Changes in fair value (net of tax)
Cross-currency swap	Cash flow hedge	Borrowings	3,135,404	(21,566)
Interest rate swap	Cash flow hedge	Borrowings	1,326,236	3,555

<i>(in millions of Korean won)</i>	Types of hedging	Hedged items	Carrying amount	Changes in fair value (net of tax)
Currency forward	Fair value hedge	Borrowings	-	(2,506)

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The results of hedge accounting are as follows:

<i>(in millions of Korean won)</i>	Types of hedging	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	Cash flow hedge	21,566	Interest expense and exchange differences	(13,852)	7,714	2,331
Interest rate swap	Cash flow hedge	(3,555)	Interest expense	(1,431)	(4,986)	(8,950)

<i>(in millions of Korean won)</i>	Types of hedging	Changes in fair value of derivatives (net of tax)	Line items in profit or loss	Effective risk hedging (pre-tax)	Ineffective risk hedging (pre-tax)
Currency forward	Fair value hedge	2,506	Exchange differences	2,506	-

Derivatives for trading purposes

Currency forward contracts

The Group entered the currency forward contracts and others to manage the risk against possible future changes in foreign exchange rates and interest rates. Details of currency forward, interest rate swap, option contracts and embedded derivatives of the Group, as of March 31, 2025, and related profits or losses for the three-month period ended March 31, 2025 are as follows:

<i>(in millions of Korean won)</i>	Purchase	Sale	Gain (Loss) on valuation	Gain (Loss) on transaction
Currency forward	726,112	224,646	264	(2,772)
Currency swap	-	-	6,596	-
Interest rate swap	-	-	(387)	-
Option contracts	-	-	-	-
Embedded derivatives	-	-	(4,796)	-

Stock purchase contracts

According to the put options granted to employees to whom stock options of Cybellum Technologies Ltd. were granted, the Group recognizes ₩3,489 million of derivative liabilities as of March 31, 2025 and there were no gains or losses from derivative transactions related to this contract for the three-month period ended March 31, 2025.

The Group also recognized a derivative financial asset of ₩4,359 million as it acquired a call option to purchase Series C-1 shares of Bear Robotics, Inc. Additionally, there were no gains or losses from derivative transactions related to this contract for the three-month period ended March 31, 2025.

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iv) Price risk

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

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

The effect of price index's fluctuation related to the listed securities on the equity (before applying the tax effect) is set out in the below table. The analysis is performed in respect of 30% increase/decrease in the price index under the assumption that other variations are held constant and the listed securities owned by the Group have correlation with the relevant past index.

<i>(in millions of Korean won)</i>	March 31, 2025		December 31, 2024	
	30% increase	30% decrease	30% increase	30% decrease
KOSDAQ	12,468	(12,468)	12,461	(12,461)
NASDAQ	29	(29)	62	(62)
NYSE	1,048	(1,048)	1,482	(1,482)
Austrian Traded Index	5,141	(5,141)	255	(255)

The valuation and changes in carrying amounts of the financial assets at fair value through other comprehensive income related to the market risk above are presented in Note 7.

(b) Credit risk

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

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

As of March 31, 2025, trade receivable balance of the Group is ₩13,654,426 million (December 31, 2024: ₩12,306,568 million) and its risk is managed appropriately within insurer's credit limit of ₩30,095,641 million (December 31, 2024: ₩29,912,206 million). Therefore, the Group determined that credit risk exposed to the Group is limited.

As of March 31, 2025, the carrying amount of financial assets represents net of impairment loss to reflect Group's maximum exposure to the credit risk.

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(c) Liquidity risk

The Group forecasts its cash flow and liquidity status and sets action plans on a regular basis to manage liquidity risk proactively. The Group 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 Group also maintains the adequate amounts of deposits.

In addition, the Group is able to source funds any time in the domestic and international financial markets because it has good investment credit grades of AA from Korea Investors Service, Korea Ratings and NICE Information Service, BBB from Standard & Poors, and Baa2 from Moody's as of March 31, 2025.

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

March 31, 2025					
<i>(in millions of Korean won)</i>	Total	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Trade payables	10,464,556	10,464,556	-	-	-
Borrowings	16,459,020	4,838,315	2,483,758	6,667,276	2,469,671
Lease liabilities	1,460,850	427,970	312,565	433,483	286,832
Other payables	4,918,735	4,598,419	266,697	40,294	13,325
Other financial liabilities	89,371	1,125	4,471	9,810	73,965
Total	33,392,532	20,330,385	3,067,491	7,150,863	2,843,793

December 31, 2024					
<i>(in millions of Korean won)</i>	Total	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Trade payables	9,884,770	9,884,770	-	-	-
Borrowings	15,750,257	3,474,912	2,410,448	6,678,027	3,186,870
Lease liabilities	1,445,351	423,265	308,046	424,953	289,087
Other payables	6,049,696	5,729,548	275,858	13,250	31,040
Other financial liabilities	86,340	962	4,057	9,175	72,146
Total	33,216,414	19,513,457	2,998,409	7,125,405	3,579,143

The above cash flows are calculated at nominal value based on the earliest maturity dates and include cash flows of principal and interests. The Group's trading portfolio derivative within other financial liabilities that are not qualified for hedge accounting have been included at their fair value of ₩4,370 million (December 31, 2024: ₩2,685 million) within the less than 1-year time bucket. This is because the contractual maturities are not essential for an understanding of the timing of the cash flows. These contracts are managed on a net-fair value basis rather than by maturity date. Derivatives for cash flow hedges from changes in interest rate and exchange rate are reflected in the cash flows of related borrowings.

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29.2 Capital risk management

The Group's capital risk management purpose is to maximize shareholders' value through maintaining a sound capital structure. The Group 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 March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won, except for ratios)</i>	March 31, 2025	December 31, 2024
Liability(A)	39,702,715	40,417,925
Equity(B)	26,246,627	25,211,664
Cash and cash equivalents(C)	6,985,040	7,573,036
Borrowings and lease liabilities(D)	15,168,668	15,242,402
Liability to equity ratio(A/B)	151.3%	160.3%
Net borrowings ratio((D-C)/B)	31.2%	30.4%

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29.3 Fair value estimation

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

<i>(in millions of Korean won)</i>	March 31, 2025			
	Current		Non-current	
	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	17,403	17,403	165,221	165,221
Financial assets at fair value through other comprehensive income				
Trade receivables	2,509,326 ¹	-	-	-
Other financial assets	-	-	145,706	145,706
Derivatives for hedging purposes				
Other financial assets	61,573	61,573	365,151	365,151
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	6,985,040 ¹	-	-	-
Deposits held by financial institutions	31,532 ¹		194,334 ¹	
Trade receivables	8,784,568 ¹		89,888	89,888
Other receivables	1,660,932 ¹		871,339	760,238
Other assets				
Trade receivables	354,113 ¹		1,783,068	1,783,068
Total	20,404,487		3,614,707	

<i>(in millions of Korean won)</i>	March 31, 2025			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	4,370	4,370	29,797	29,797
Derivatives for hedging purposes				
Other financial liabilities	-	-	29,553	29,553
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	10,464,556 ¹		-	-
Borrowings	3,359,958 ¹		10,535,666	11,495,170
Other payables	4,598,334 ¹		320,178	319,094
Other liabilities				
Lease liabilities	389,362 ²		883,682 ²	
Total	18,816,580		11,798,876	

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(in millions of Korean won)	December 31, 2024			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets at fair value				
Financial assets at fair value through profit or loss				
Other financial assets	13,450	13,450	167,590	167,590
Financial assets at fair value through other comprehensive income				
Trade receivables	2,652,562	¹	-	-
Other financial assets	-	-	140,904	140,904
Derivatives for hedging purposes				
Other financial assets	62,776	62,776	350,533	350,533
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	7,573,036	¹	-	-
Deposits held by financial institutions	46,681	¹	193,637	¹
Trade receivables	7,596,479	¹	131,664	131,664
Other receivables	1,583,477	¹	1,022,169	986,210
Other assets				
Trade receivables	286,573	¹	1,514,052	1,514,052
Total	19,815,034		3,520,549	

(in millions of Korean won)	December 31, 2024			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	2,685	2,685	25,201	25,201
Derivatives for hedging purposes				
Other financial liabilities	167	167	31,838	31,838
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	9,884,770	¹	-	-
Borrowings	2,889,260	¹	11,093,282	11,597,228
Other payables	5,729,464	¹	319,949	318,701
Other liabilities				
Lease liabilities	385,675	²	874,185	²
Other financial liabilities	115	³	-	-
Total	18,892,136		12,344,455	

¹ Excluded from disclosure 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*.

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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 Group 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 prices 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 and others.

- 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 and others, 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 and others.

The fair value of financial instruments traded in active markets is based on quoted market prices as of March 31, 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 Group is the closing price as of March 31, 2025. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity investments and others 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 Group uses various valuation techniques that the Group 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.

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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 and others.

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 March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025			
<i>(in millions of Korean won)</i>	Level 1	Level 2	Level 3	Total
Assets				
Other financial assets				
Financial assets at fair value through other comprehensive income	46,300	-	99,406	145,706
Financial assets at fair value through profit or loss	550	22,961	159,113	182,624
Derivatives for hedging purposes	-	426,724	-	426,724
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	7,858	26,309	34,167
Derivatives for hedging purposes	-	29,553	-	29,553
	December 31, 2024			
<i>(in millions of Korean won)</i>	Level 1	Level 2	Level 3	Total
Assets				
Other financial assets				
Financial assets at fair value through other comprehensive income	46,398	-	94,506	140,904
Financial assets at fair value through profit or loss	552	19,021	161,467	181,040
Derivatives for hedging purposes	-	413,309	-	413,309
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	6,174	21,712	27,886
Derivatives for hedging purposes	-	32,005	-	32,005

The above fair value amounts are recurring fair value measurements.

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- Valuation technique 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 March 31, 2025 and December 31, 2024 are as follows:

	Fair value		Valuation techniques	Inputs
(in millions of Korean won)	March 31, 2025	December 31, 2024		
Assets				
Other financial assets				
Financial assets at fair value through profit or loss	22,961	19,021	Discounted cash flow and binomial model	Discount rate and exchange rate share price and volatility
Derivatives for hedging purposes	426,724	413,309	Discounted cash flow	Discount rate and exchange rate
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	7,858	6,174	Discounted cash flow and binomial model	Discount rate and exchange rate share price and volatility
Derivatives for hedging purposes	29,553	32,005	Discounted cash flow	Discount rate and exchange rate

- Valuation technique and inputs for fair value measurements categorized within Level 3

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

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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 March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025			
<i>(in millions of Korean won)</i>	Level 1	Level 2	Level 3	Total
Assets				
Non-current trade receivables	-	-	1,872,956	1,872,956
Non-current other receivables	-	-	760,238	760,238
Liabilities				
Non-current borrowings	-	-	11,495,170	11,495,170
Non-current other payables	-	-	319,094	319,094

	December 31, 2024			
<i>(in millions of Korean won)</i>	Level 1	Level 2	Level 3	Total
Assets				
Non-current trade receivables	-	-	1,645,716	1,645,716
Non-current other receivables	-	-	986,210	986,210
Liabilities				
Non-current borrowings	-	-	11,597,228	11,597,228
Non-current other payables	-	-	318,701	318,701

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

As of March 31, 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.

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- 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 March 31, 2025 and December 31, 2024 are as follows:

	March 31, 2025		December 31, 2024		Valuation techniques	Inputs	Significant but unobservable inputs	Range of significant but unobservable inputs
(in millions of Korean won)	Carrying amount	Fair value	Carrying amount	Fair value				
Assets								
Non-current trade receivables	1,872,956	1,872,956	1,645,716	1,645,716	Discounted cash flow	Discount rate and exchange rate	Discount rate	5.2% ~ 5.7%
Non-current other receivables	871,339	760,238	1,022,169	986,210	Discounted cash flow	Discount rate and exchange rate	Discount rate	2.4% ~ 10.0%
Liabilities								
Non-current borrowings	10,535,666	11,495,170	11,093,282	11,597,228	Discounted cash flow	Discount rate and exchange rate	Discount rate	2.9% ~ 4.5%
Non-current other payables	320,178	319,094	319,949	318,701	Discounted cash flow	Discount rate and exchange rate	Discount rate	3.0% ~ 4.0%

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30. Business combinations

(a) On June 5, 2024, the Group acquired 80.0% of shares in Athom Holding B.V. and its subsidiaries for the purposes of acquiring and enhancing its capacity in smart space business. The following table summarizes the consideration transferred and the fair value of assets acquired and liabilities assumed:

<i>(in millions of Korean won)</i>	Amount
Consideration transferred	
Cash and cash equivalents	69,106
Other liabilities ¹	17,251
Recognized amounts of identifiable assets acquired and liabilities assumed	
Current assets	
Cash and cash equivalents	1,967
Trade receivables ²	853
Other receivables ²	118
Inventories	4,400
Other assets	168
Non-current assets	
Property, plant and equipment	186
Intangible assets	10,338
Current liabilities	
Trade payables	106
Other liabilities	565
Provisions	446
Non-current liabilities	
Deferred tax liabilities	2,667
Fair value of total identifiable net assets	14,246
Non-controlling interests	-
Goodwill³	72,111

¹ The Group recognized these liabilities as financial liabilities upon the business combination, in accordance with the contingent agreement to purchase the remaining shares of Athom Holding B.V.

² The fair value of above trade receivables and other receivables is the same as the contractual amount in gross.

³ Goodwill of ₩72,111 million is assumed from the business combination with Athom Holding B.V. as the Group's sales increased thereafter and is not included in a non-deductible expense for taxation purposes.

The direct costs related to the acquisition arising from the business combination amount to ₩2,134 million and are expensed as incurred.

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31. Assets classified as held for sale

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

<i>(in millions of Korean won)</i>	March 31, 2025¹	December 31, 2024
Assets held for sale		
Land	9,999	682
Building	36,011	2,929
Machinery	-	-
Other property, plant and equipment	60	7
Total	46,070	3,618

¹ The sale is in progress as of March 31, 2025 and expected to be completed by 2026.

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

(c) Details of other components of equity held for sale as of March 31, 2025 and December 31, 2024 are as follows:

<i>(in millions of Korean won)</i>	March 31, 2025	December 31, 2024
Exchange differences on translation of foreign operations	(184)	(457)

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32. Discontinued operations

In 2024, the Group discontinued the operations of the battery pack business in order to focus on the Group'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 three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Net sales	-	84
Operating income (loss)	(1,542)	233
Profit (Loss) before income tax	(1,960)	(10,777)
Income tax expense (benefit)	(512)	(2,794)
Loss for the period, net of tax	(1,448)	(7,983)

(b) Cash flows from discontinued operations for each of the three-month periods ended March 31, 2025 and 2024 are as follows:

<i>(in millions of Korean won)</i>	For the three-month period ended March 31,2025	For the three-month period ended March 31,2024
Net cash flows from operating activities	(82,203)	(62,780)
Net cash flows from investing activities	12	14,154
Net cash flows from financing activities	82,191	48,626