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# Semi-Annual Report

(The 26th Fiscal Year)  
From 01 January 2024 to 30 June 2024

To: Financial Services Commission  
Korea Exchange

14 August 2024

Type of corporation for submission: Listed company

Occurrence of exemption reason: Not applicable

Company name: LX Semicon Co., Ltd.

Representative director: Lee Yun-Tae

Address of the headquarters: 222 Techno 2-ro, Yuseong-gu, Daejeon, Korea

(Tel) 02-6924-3114

(Webpage) <http://www.lxsemicon.com>

Person responsible for this report: (Position) CFO (Name) Lee Hyuk-Joo

(Tel) 02-6924-3114

# **【Confirmation by Representative Director】**

## **Confirmation and Signature of Representative Director**

### **Letter of Confirmation**

As the representative director and the director in charge of reporting duties of the company, after careful scrutiny and verification of the contents of this disclosure document, the Company confirms that there are no omissions or false statements in important disclosures or representations, and that there are no contents that could lead to significant misunderstandings by users of the information provided in this disclosure document.

The Company also hereby confirms that the Company has established and manages its internal accounting management system based on Article 8 of the Act on External Auditors of Share Companies.

(Limited to the companies subject to external audit based on Article 8 of the same Act)

14 August 2024

LX Semicon Co., Ltd.

Representative Director Lee Yun-Tae (Signature)

Director of Reporting Kim Hun (Signature)

# I. Company Overview

## 1. Company Overview

### A. Outline of Consolidated Subsidiaries

#### (1) Consolidated Subsidiaries (Summary)

(Unit: Companies)

Category	No. of consolidated companies				No. of major subsidiaries
	1 January	Increase	Decrease	30 June	
Listed	-	-	-	-	-
Unlisted	3	1	-	4	-
Total	3	1	-	4	-

※ Refer to Detailed Tables 1. Consolidated Subsidiaries (Details)

#### 1-1. Changes in Consolidated Companies

Category	Subsidiary	Reason
Newly consolidated	LX Semicon Taiwan Co., Ltd.	Newly established during H1 2024
	-	-
Excluded	-	-
	-	-

### B. Legal and Commercial Name of the Company

The Company's name is LX Semicon Co., Ltd.

### C. Date of Establishment

The Company was established on 11 November 1999.

### D. Address, Telephone Number and Website of the Headquarters

Address	:	(H.Q) 222 Techno 2-ro, Yuseong-gu, Daejeon, Korea
Tel	:	02-6924-3114
Webpage	:	<a href="https://www.lxsemicon.com">https://www.lxsemicon.com</a>

## E. Classification of Eligibility

Small- and Medium-Sized Enterprise	Not Applicable
Venture Enterprise	Not Applicable
Medium-Sized Enterprise	Not Applicable

## F. Major Areas of Businesses

As a fabless company specializing in semiconductor design and sales, the Company is engaged in design, manufacturing, and sales of system semiconductor as its main business and consists of a single System IC business division. The Company is diversifying its business portfolio by pursuing ventures in MCU, power semiconductors, and heat sink plate businesses as new growth drivers.

For the details of the Company's major business activities, refer to II. Business Activities.

## G. Credit Rating

In the past three years, the Company has not requested credit ratings from domestic or overseas credit rating agencies which offer ratings and private rating agency's interest rates not as in the credit inquiry business.

## H. Share Listing (or Registration and Designation) and Special Listing of the Company

Share Listing (or Registration and Designation) and Special Listing of the Company

Share listing (or registered/designated)	Date of share listing (or registration/designation)	Special listing type
Listed on the stock market	03 November 2022	Not Applicable

\*) Transferred from the KOSDAQ market (listed on 8 June 2010) to the KOSPI market.

## 2. Company History

### A. The Headquarters Location and Changes of the Address

11 November 1999: 4F, Jeil Bank Building, 1299 Dunsan-dong, Seo gu, Daejeon, Korea

15 December 2000: 5F, Semyung Hoekwan Building, 1229 Dunsan-dong, Seo gu, Daejeon, Korea

04 October 2005: 104-13 Munji-dong, Yuseong-gu, Daejeon, Korea

31 January 2011: 222 Techno 2-ro, Yuseong-gu, Daejeon, Korea

## B. Major Changes to the Management

Date of change	Type of shareholders' meeting	Appointment		Expiration or dismissal
		Newly appointed	Reappointed	
26 Mar. 2020	OGMS	-	Representative director Son Bo-Ik, External director Yoon Il-Goo	-
18 Mar. 2021	OGMS	Non-executive director Roh Jin-Seo	Internal director Choi Sung-Kwan, External director Shin Yeong-Soo	Non-executive director Jeong Yeon-Chae
22 Mar. 2021	OGMS	-	External director Wi Kyung-Woo	-
23 Mar. 2023	OGMS	Internal director Kim Hun, External director Jung Seong-Wook	Representative director Son Bo-Ik	External director Yoon Il-Goo
21 Mar. 2024	OGMS	Representative director Lee Yun-Tae, External director, Han Sang-Beom, and External director Kim Nam-Soo	Non-executive director Roh Jin-Seo	-

\*) Refer to VIII. Executives and Employees for more details of change in management.

## C. Changes in the Largest Shareholder

According to the spin-off of LG, which was the previous largest shareholder, the largest shareholder was changed from LG Corp. To LX Holdings Co., Ltd., and the changes in the largest shareholder, etc. are described in VII. Shareholders – B. Major Career and Overview of the Largest Shareholder.

## D. Change of Company Name

Date of change	Name before change	Name after change	Reason for change
25 June 2021	Silicon Works Co., Ltd.	LX Semicon Co., Ltd.	Change of governance and improving image as a semiconductor company

\*1) The date of change is the date of approval of the general meeting of shareholders for the change of Articles of Incorporation reflecting the change of company name.

\*2) The effective date of the changed name is 1 July 2021.

## E. Major History of LX Semicon

### (1) LX Semicon

Date	Major contents
May 2021	Changed the largest shareholder (LG Corp. → LX Holdings Co., Ltd.)
June 2021	Changed the company name (Silicon Works Co., Ltd. → LX Semicon Co., Ltd.)
August 2022	Selected as the best company for job creation in 2022 (Ministry of Employment and Labor)
November 2022	Transferred listing on the KOSPI market (KOSDAQ → KOSPI)
December 2022	Awarded the One Billion Dollar Export Tower on the Trade Day (Ministry of Trade, Industry and Energy)
December 2022	Acquired a Certificate as an excellent family-friendly company (Ministry of Sex Equality and Family)
January 2023	Certified as Excellent Export/Import Safety Management Company (AEO) (Korea Customs Service)
March 2024	Change of representative director (Son Bo-Ik → Lee Yun-Tae)

**(2) LX Semicon U.S.A., Inc**

Date	Major contents
July 2021	Changed the Company name (SILICON WORKS, INC. → LX Semicon U.S.A., Inc)

**(3) LX Semicon China Co., Ltd.**

Date	Major contents
December 2021	Changed the company name (Silicon Works China Co., Ltd. → LX Semicon China Co., Ltd.)

**(4) LX Semicon China Co., Ltd.**

Date	Major contents
September 2021	Corporation established (Capital JPY 30,000,000)
February 2022	Paid-in capital increase (JPY 30,000,000 → JPY 60,000,000)
May 2022	Paid-in capital increase (JPY 60,000,000 → JPY 120,000,000)
August 2022	Relocation of business site (Address change)

**(5) LX Semicon Taiwan Co., Ltd.**

Date	Major contents
May 2024	Corporation established (Capital TWD 17,000,000)

### **3. Changes in Capital Stock**

This information is not included in the semi-annual report in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

## 4. Share Capital Overview

The total issued and outstanding shares are 16,264,300 common shares as of 30 June 2024.

### Share Capital Overview

(As of 30 June 2024)

(Unit: Shares)

Category	Type of shares			Remarks
	Common shares	Preferred shares	Total	
I. Total No. of shares to be issued	-	-	50,000,000	-
II. Total No. of shares issued so far	16,264,300	-	16,264,300	-
III. Total No. of shares decreased so far	-	-	-	-
	1. Capital decrease	-	-	-
	2. Profit burning	-	-	-
	3. Redemption of redeemable shares	-	-	-
	4. Others	-	-	-
IV. Total issued shares (II-III)	16,264,300	-	16,264,300	-
V. Treasury shares	-	-	-	-
VI. Outstanding shares (IV-V)	16,264,300	-	16,264,300	-

\*) The total number of shares that can be issued by the Company is 50,000,000, of which the limit for issuing preferred shares is 7,000,000.

## 5. Articles of Incorporation

### A. History of Changes to the Articles of Incorporation

Changed date	Name of shareholders' meeting	Major changes	Reason for change
18.03.2021	The 22nd OGMS	Revising of matters for the separate election of Audit Committee members and changing the wording to enable resolution through delegation of committees within the BOD	Revising items regarding separate election for audit officer and flexibility of regulations related to the committee
25.06.2021	The 1st EGMS	Revising articles due to change of the company name, clarifying business purposes and changing website in notification method according to name change	Revising articles due to change of the company name
23.03.2023	The 24th OGMS	According to the amendment of the Commercial Act, the Articles of Incorporation explicitly stipulate the relaxation of the resolution requirements for the appointment of Audit Committee members following the introduction of the electronic voting system	In order to apply relaxed criteria when appointing Audit Committee members
21.03.2024	The 25th OGMS	Changing the process so that shareholders eligible to receive dividends are determined after the dividend amount is finalized	Implementing an improved dividend procedure aligned with global standards.

## B. Status of Business Purpose

### (1) Status

The business purposes specified in the Articles of Incorporation as of 30 June 2024 are as follows:

Category	Business purpose	Engagement status
1	Design, manufacture, design services, sales, maintenance, and related value-added services for semiconductors, semiconductor manufacturing equipment, and application parts	Engaged
2	Design, manufacturing, design services, sales, maintenance, and related additional services for electronic, electrical, display, and mechanical equipment-related materials, parts, modules, and accessories.	Engaged
3	Distribution such as wholesale and retail	Engaged
4	Trade business	Engaged
5	Real estate sales and leasing	Engaged
6	All businesses and investments incidental to the above items	Engaged

### (2) Changes in Business Purpose

#### [Details]

Category	Date of change	Business purpose	
		Before change	After change
Amended	25.06.2021	1. Design and manufacturing of semiconductor	1. Design, manufacturing, design services, sales, maintenance and related additional services for semiconductors, semiconductor manufacturing equipment, and application parts.
Amended	25.06.2021	2. Design services of semiconductor and LCD	2. Design, manufacturing, design services, sales, maintenance, and related additional services for electronic, electrical, display, and mechanical equipment-related materials, parts, modules, and accessories.
Deleted	25.06.2021	3. Design and manufacturing of LCD	-
Amended	25.06.2021	6. Real estate leasing business	5. Real estate sales and leasing
Amended	25.06.2021	7. All businesses incidental to the above items	6. All businesses and investments incidental to the above items

#### [Reason for Change]

##### ① Purpose and Necessity of Change

The Company has specified and clarified the business purposes in its Articles of Incorporation to concretize the objectives of its current businesses, including semiconductors, design services, and manufacturing, and to proactively prepare for potential entry into new businesses.

##### ② Proposer of the Business Purpose Amendment

This amendment to the business purpose was proposed at the 4th Board of Directors meeting in 2021 (held on 11 May 2021).

③ Impact of the Amendment on the Company's Core Business, etc.

**Business Purpose 1: Design, manufacture, design services, sales, maintenance, and related ancillary services for semiconductors, semiconductor manufacturing equipment, and application components**

As a system semiconductor company focusing on the design, manufacture, and sales of core components driving display panels, the amendment reinforces the existing business purpose and prepares for potential new business ventures.

**Business Purpose 2: Design, manufacture, design services, sales, maintenance, and related ancillary services for materials, parts, modules, and accessories related to electronics, electricity, displays, and machinery**

The amendment addresses market trends transitioning from LCD to OLED and the broader shift in the display industry to proactively adapt to changes.

**Business Purpose 5: Real estate trading and leasing business**

The addition of real estate trading aims to proactively prepare for the expansion of the Company's core businesses.

**Business Purpose 6: All businesses and investments incidental to the above items**

The addition of investment purposes aims to proactively prepare for the expansion of the Company's core businesses.

## II. Business Activities

### 1. Business Overview

The Company, as a fabless company, is engaged in design, manufacture and sales of core parts that drive display panels, and consists of a single display business division.

In the display panel driving components sector, the Company is primarily focused on growing its Driver-IC, Timing Controller (T-Con), and Power Management Integrated Circuit (PMIC) products. Additionally, the Company is pursuing business diversification by developing new growth drivers such as MCU, power semiconductors, and heat-dissipating substrates.

The Company's primary products include Driver ICs and T-Cons, which are used to operate panels. Among these, Driver ICs accounted for 89.67% of the total sales for the first half of 2024 (92.24% in H1 2023). Exports represented 98.56% of the Company's total sales in the first half of 2024 (99.4% in H1 2023).

The Company designs semiconductors to meet the requests of client companies regarding the type and specifications of products. The designed semiconductors are produced through outsourcing to foundries and specialized assembly/packaging companies that have sufficient production capabilities and technical skills, and then delivered to client companies.

### 2. Key Products and Services

[As of 30 June 2024]

(Unit: KRW Billion)

Business sector	Product	Product details	Key products	H1 2024		2023		2021	
				Sales	Ratio (%)	Sales	Ratio (%)	Sales	Ratio (%)
Semi-conductor	System IC	Panel driver IC and others	Driver - IC	8,458	89.67	17,485	91.96	18,977	89.54
			Driver - IC, etc.	974	10.33	1,529	8.04	2,216	10.46
Total				9,432	100.00	19,014	100.00	21,193	100.00

### 3. Raw Materials and Infrastructure

#### A. Major Raw Materials

[As of 30 June 2024]

(Unit: KRW Billion)

Raw material	Purchased amount	Major supplier
Wafer, etc.	3,022	TSMC, SK hynix system ic(Wuxi), LG Innotek Co., Ltd., etc.
Processing cost, etc.	1,611	LB Semicon Co., Ltd., LB Lusem Co., Ltd., etc.

As the Company is a fabless company placing orders and commissioning semiconductor manufacturing processes and the cost for the purchase of wafers is a very important element for the management performance and it is considered to be confidential. Hence, the Company will not provide the unit cost

and trends of wafer prices.

## B. Manufacturing Capacity and Infrastructure

As a fabless company with no production facilities, the Company utilizes external process for the manufacturing stages after the semiconductor design. Accordingly, it has no separate manufacturing facilities, and the details are not provided.

## C. Commissioned Manufacturing

The Company is a fabless enterprise utilizing external process companies for the manufacturing stages following semiconductor design. The outsourcing processes are mainly divided into foundry (wafer consignment production) and OSAT (testing & packaging). The external process companies the Company uses have long-standing business relationships with us, and have selected companies that can stably manufacture high-quality products for outsourced operations.

## 4. Sales and Orders

### A. Sales Performance

[As of 30 June 2024]

(Unit: KRW Billion)

Business sector	Sales type	Product		H1 2024	2023	2022
Semi-conductor	Products and others	System IC	Exports	9,296	18,909	20,901
			Domestic	136	105	292
Total			Total	9,432	19,014	21,193

### B. Sales Channels, Methods, Strategies, and Major Customers

#### (1) Sales and Mass Production Support Organizations

As of 30 June 2024, the departments of the Company are composed of TI divisions (TV/IT/Display) and MS divisions (Mobile Solution), and TI and MS sales divisions under the TI department and MS department are in charge of domestic and overseas sales.

#### (2) Sales Channels

The Company manufactures and sells products based on client orders, both domestically and internationally. From the development stage, the Company designs products according to the specifications and characteristics requested by the clients. These products are then produced by the main outsourcing companies and delivered to clients.

Category	Sales channels
Domestic sales	Order → LX Semicon (outsourced production → shipment → delivery)
Overseas sales	

\*) Domestic sales are sales within Korea

### **(3) Sales Strategy**

The Company believes that by developing new products and technologies, along with providing differentiated customer support, it can maintain a market-leading position and strengthen its customer base and expand into new customer segments. Additionally, by offering optimal solutions that are customized to the needs of its clients, the Company anticipates being able to maintain its market position.

### **(4) Main Source of Sales**

Two external customers accounted for 10 percent or more of the Company's total sales. Their sales for the first half of 2024 and 2023 were KRW 531.8 billion (KRW 460.5 billion in H1 2023) and KRW 278.6 billion (KRW 346.0 billion in H1 2023), respectively.

### **C. Order Status**

The display driver chips produced by the Company vary in type depending on the size and characteristics of the display panel. Due to the nature of major panel manufacturers' procurement policies, orders are typically placed on a rolling basis for required quantities approximately every 10 weeks, with additional orders being placed as needed.

## **5. Risk Management and Derivative Instruments**

The Group is exposed to credit risk, liquidity risk and market risk with regard to financial instruments. Information on the aforesaid risk to which the Group is exposed is disclosed in the notes with the goal, policy, risk evaluation and management procedure, and capital management of the Group. Additional quantitative information is also disclosed throughout these financial statements.

### **A. Credit Risk Management**

Credit risk refers to the risk where the Group may have financial losses as customers or transactional counterpart fails to fulfill contractual obligations for financial instruments, and it may mainly break out from accounts receivables for customers and investment assets. The Company trades with customers with the certain level or higher of credit rating in an effort to reduce financial losses due to default, while reviewing the credit ratings of customers with exposure to credit risk periodically. Credit risk may break out even from transactions with financial institutions as well, and the Company is in principle trading only with the banks of higher credit ranking in an effort to reduce this risk. The Company ensures that new transactions are carried out for deposits with the higher likelihood of credit risk such as trust deposits only after approval by the executive in charge. The exposure to credit risk of the Group as of 30 June 2024 includes cash and cash equivalents, short-term financial instruments, trade receivables, and other receivables, totaling up to KRW 871.6 billion.

## B. Management of Liquidity Risk

Maintaining and managing adequate liquidity is a very important matter for the Company. The Company currently maintains non-debt management and has an adequate cash level. In addition, we are making every effort to maintain and manage appropriate liquidity through periodic forecasting of funds balance, estimating the required cash level, and managing income and expenses.

Separately, to mitigate liquidity risk, the Company maintains proactive communication with financial markets to ensure early liquidity access. Additionally, the Company actively reviews securing additional credit lines from financial institutions to maintain ample liquidity.

## C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.

### (1) Exchange Rate Risk Management

The Group is exposed to the exchange rate risk related to the sales profits and costs indicated in KRW, which is the functioning currency. The major presentation currency for these transactions is USD.

The book values of the cash assets and liabilities presented in major currencies other than the functioning currency as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW Billion)

Category	30 June 2024	31 December 2023
	USD	USD
Assets in foreign currency	236,798.1	108,357.1
Liabilities in foreign currency	85,219.5	31,909.6

The effect of the changes in foreign exchange rate for KRW (before income tax) as of 30 June 2024 and 31 December 2023 on the losses and gains are as follows:

(Unit: KRW Billion)

Category	30 June 2024	31 December 2023
	(If 5% changed)	(If 5% changed)
USD	±195.4	±3,822.4

### (2) Interest Rate Risk

The Group is not recognizing the fixed interest rate financial instruments as the financial instruments for which the profits or losses should be recognized in the current fiscal year. Therefore, the revenues and operating cash flows of the Group are actually independent of variations in the market interest rate.

## D. Capital Risk Management

The capital management of the Group is for maintaining the existence of the Company as a going concern, minimizing the capital cost for funding, maximizing the profits of the shareholders, and maintaining an appropriate equity structure. The Group is managing its capital based on the liability ratio. The Group manages the capital based on the ratio of liability, which is calculated by dividing the total liability in the statement of financial position with capital. The Group maintains a proper liability ratio at 35.2% as of 30 June 2024.

## E. Transaction of Derivatives

The Company enters into currency forward contracts to hedge against the fair value fluctuation risk of foreign currency assets arising from exchange rate fluctuations.

As of 30 June 2024, the Company has entered into currency forward contracts for USD-denominated trade receivables for hedging purposes. The carrying amounts of the related assets and liabilities, as well as the gains and losses from valuation, are as follows:

### ① Key Details of Hedging Instruments

(Unit: KRW)

Category	Contract counterparty	Contract amount (Unit: million)	Contract exchange rate	Hedging start date	Hedging maturity date	Account	Book value	
							Assets	Liabilities
Currency Forward	Shinhan Bank and 1 other	USD 106	1,351.60 ~1,381.00	29.04.2024 ~28.06.2024	05.08.2024 ~06.11.2024	Derivative assets/liabilities	-	2,025,003,544
Total							-	2,025,003,544

### ② Key Details of Hedged Items

(Unit: KRW)

Category	Account	Book value	Fair value change
Currency Forward	Trade Receivables	147,671,150,069	2,025,003,544

### ③ Results of Hedge Accounting Application

(Unit: KRW)

Category	Change in derivative value	Account recognized in profit or loss	Amount recognized in profit or loss due to ineffectiveness of hedge
Currency Forward	(2,025,003,544)	Gain/Loss on Derivative Valuation	-

\*) The gains and losses arising from derivatives under hedge accounting are offset within the scope of hedge accounting by the gains and losses arising from the hedged assets.

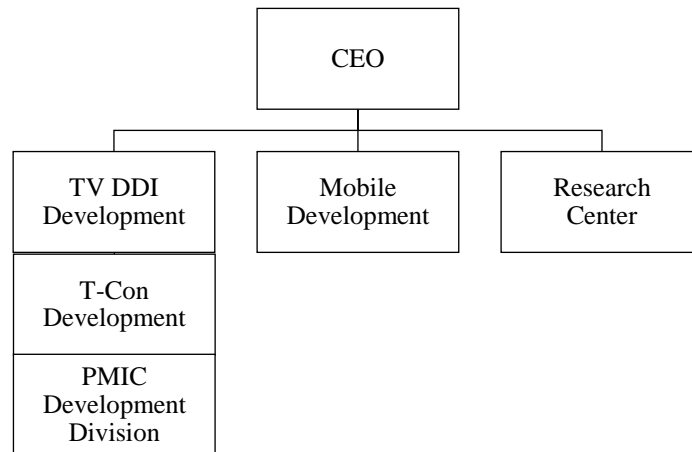
## 6. Major Contracts and R&D Activities

### A. Major Contracts in Management

There are no applicable matters as of the report preparation date.

### B. Research and Development

#### (1) Research and Development Organization



## (2) Research and Development Expenses

(Unit: KRW Billion)

Category		H1 2024	2023	2022
Total R&D expenses		1,177	2,198	2,108
(Government subsidies)		-	-	-
Total R&D expenses after deducting government subsidies		1,177	2,198	2,108
Accounting	Selling and administrative expenses	1,177	2,198	2,108
	Manufacturing cost	-	-	-
	Development expenses (intangible assets)	-	-	-
R&D expenses/sales ratio [R&D expenses ÷ current sales × 100]		12.5	11.6	9.9

\*) The percentage of sales was calculated based on the total amount of R&D expenses before deducting government subsidies.

## (3) Performances in Research and Development

The Company is specializing in display components and has secured a variety of product technologies over the entire area of displays from components for IT products such as laptop computers, monitors and tablet PC's to other components for TV and mobile devices during the recent years.

The Company's main products are Driver-IC (D-IC), Timing Controller (T-CON), and Power Management Integrated Circuit (PMIC), and it is achieving sales growth through product lineup expansion including Mobile-oriented P-OLED Display Driver ICs (DDI) and Touch Controllers. In addition, the Company is developing system semiconductors for appliances and automotive applications by extending its technological capabilities to various application areas beyond displays.

## 7. Other Matters

### A. Status of Intellectual Property Rights Possession

As of 30 June 2024, the Group holds 1,211 domestic patents and 2,172 foreign patents related to its ongoing business operations. The details of the key patents are as follows:

Type	Acquisition date	Details	Basis law	Required manpower /Duration	Commercialization Status
Patent right	02.05.2022	Patent for simultaneous driving of display and touch, with exclusive usage rights held until 04 June 2035	Patent Act	5 / 6 years 9 months	Commercialization stage
	21.09.2021	Patent for image encoding and decoding algorithms, with exclusive usage rights held until June 2037	Patent Act	2 / 4 years 3 months	Planned for commercialization
	01.09.2014	Patent for restoration of display intra-interface signals, with exclusive usage rights held until November 2031	Patent Act	2 / 2 years 9 months	Commercialization stage
	21.02.2014	Patent for driving organic light-emitting diode displays, with exclusive usage rights held until December 2031	Patent Act	4 / 2 years 1 months	Commercialization stage
	13.11.2013	Patent for in-cell touch displays, with exclusive usage rights held until December 2032	Patent Act	2 / 11 months	Commercialization stage
	23.05.2011	Patent for monitoring display drivers, with exclusive usage rights held until March 2029	Patent Act	2 / 2 years 2 months	Commercialization stage
	01.10.2010	Patent for transmission of display intra-interface signals, with exclusive usage rights held until October 2028	Patent Act	2 / 2 years	Commercialization stage

The Group, in addition to the key patents mentioned, holds numerous other patents, many of which pertain to TV, mobile, and IT displays. These patents are likely to be used in the company’s main business products or potentially utilized as core functionalities in the future. Additionally, related patents such as MCUs for automotive and appliances could serve a protective role in business as the Group expands into new ventures outside of displays. The Group is currently developing a video codec patent, enabling potential monetization through standard patent evaluation in the future.

**B. System IC**

**(1) Characteristics of the Industry**

As System IC, which performs information processing functions such as calculation and control, forms a market specialized for each use, such as home appliances, mobile, communication, and automobiles, it is a multi-species customized market, which consists of thousands of different products, so design and production are mostly divided. In addition, due to the complex chip structure, it requires excellent design manpower and technical skills.

The main product, DDI (Display Driver IC), is a key component used in display panels, and the Company is affected by the display industry’s business.

Currently, the trend of the display industry is shifting from LCD panels to OLED panels. Since OLED requires a higher level of technology than LCD and the input of more parts, the DDI market is expected to grow further once the display panel transition is implemented.

Starting with products applied to displays in the IT field, the Company is currently growing continuously by expanding the portfolio of various products related to TV, IT, and mobile.

**(2) Market Scale and Growth**

For the Display Driver IC market, which is one of the Company’s main products, sustained growth is anticipated after 2023 due to the creation of new demand driven by mid- to long-term changes in panel form factors.

**[DDI Market Size]**

(Unit: USD Billion)	2022	2023(E)	2024(E)	2025(E)	2026(E)	2027(E)	2028(E)
DDI	10.3	8.8	8.7	9.0	9.3	9.7	10.1

Source: Company Estimate

In the display industry, which is the upstream industry for the Company, medium to large panels (TV/IT/automotive) are experiencing qualitative growth and an increase in scale due to the expansion of premium products such as high-resolution (8K) LCDs and OLED TVs, alongside aggressive investments by Chinese panel manufacturers. Additionally, small panels (smartphones/smartwatches) have seen accelerated entry by Chinese manufacturers into the P-OLED market following the launch of Apple’s first P-OLED phone in 2017, suggesting that growth centered on P-OLED products is expected to continue. Thus, due to the rapid growth of Chinese panel manufacturers and trends in generational shifts of panels, the display industry is anticipated to continue its growth.

## [Annual Panel Sales]

(Unit : M units)	2022	2023	2024(E)	2025(E)	2026(E)	2027(E)	2028(E)
TV	261.9	241.2	243.8	244.9	244.8	247.2	247.5
Monitor	159.3	149.1	152.6	154.4	155.5	156.8	156.9
Notebook	217.2	189.1	194.6	213.1	218.3	227.7	233.8
Tablet	256.4	244.4	254.9	257.6	265.1	269.3	277.6
Auto	192.9	205.1	208.8	217.1	225.7	232.1	238.4
<b>Large Panel Total</b>	<b>1,087.60</b>	<b>1,028.80</b>	<b>1,054.60</b>	<b>1,087.10</b>	<b>1,109.40</b>	<b>1,133.00</b>	<b>1,154.20</b>
Smartphone	1,382.90	1,266.90	1,283.50	1,307.00	1,324.20	1,336.00	1,352.80
Smartwatch	214.1	223.1	236.5	256.9	274.6	289.9	299.7
VR / AR	12.8	11.6	13.8	21.5	39	51	67.1
<b>Small Panel Total</b>	<b>1,609.80</b>	<b>1,501.60</b>	<b>1,533.80</b>	<b>1,585.40</b>	<b>1,637.80</b>	<b>1,676.90</b>	<b>1,719.60</b>

Source: Company Estimate

### ① Medium and Large Sized (TV/ IT/Automobile) Display IC

The display IC market for LCD TVs is growing due to the increase in the number of ICs required per panel as the proportion of UHD panels increases. The penetration rate of UHD TVs is expected to reach about 66% on a global average in 2024.

Additionally, the market for OLED TV display ICs is currently small due to LG Display and Samsung Display being the only companies mass-producing OLED TV panels. However, with Chinese panel manufacturers making aggressive facility investments backed by significant capital, continuous growth is expected in the future. Unlike LCD products, OLED TV display ICs require not only driving technology but also panel compensation technology, which is a critical factor. Companies with competitiveness in this area are expected to lead the market.

IT products are enhancing value by incorporating new features, such as higher resolution and touch panels, particularly among premium brands.

### ② Small (Smart Phone/Smart Watch) Display IC

The smartphone market has entered a mature phase. The smartphone panel market size was approximately 1.4 billion units in 2022, decreasing to around 1.3 billion units in 2023, and it is expected to remain at approximately 1.3–1.4 billion units until 2027. The growth in the smartphone market in developed countries is anticipated to be lower compared to emerging markets, which are driving the overall growth of the smartphone market.

Major global set manufacturers are actively pursuing evolutionary strategies in form factors to generate new demand, which is continuously increasing the share of smartphones equipped with P-OLED panels. Currently, domestic panel manufacturers dominate the P-OLED market due to their technological advantage over Chinese panel manufacturers. However, as Chinese companies expand their production capacity, their market share in the P-OLED panel market is expected to gradually rise.

The smartwatch market saw significant growth in 2020 and is expected to continue to grow at a high rate annually. The market size is expected to keep increasing through services linked with various

devices, including IoT, in the future.

### **(3) Characteristics of Economic Fluctuations and Competitive Elements**

The core competitive element in the display component market is the market entry at the initial stage with the development of display, as well as strengthening technological competitiveness based on original technologies. It is to create a barrier to entry through differentiation through technological competitiveness by securing a meaningful share in a new market where new technologies are applied.

The display industry is a field that requires both technology and capital-intensive characteristics and economies of scale, and has the characteristic that the barrier to entry increases as the degree of technical completion increases. In the past, the supply capacity has improved through fierce competition among panel makers, and in line with the increase in demand, the overall display industry has recorded a high growth rate. However, in recent years, due to the high maturity of the market and limited demand, it has entered a low-growth phase. Due to its high sensitivity to economic fluctuations, replacement demand does not increase significantly.

In response to the market trend shifting from LCD to OLED, the Company is striving to proactively adapt to the transition in the display industry by developing relevant technologies, aiming to respond ahead of competitors.

### **(4) Market Share**

According to the market research firm Omdia as of 2023, the Company ranks 43rd among global semiconductor companies and is in the top 3 for Display Driver IC manufacturers. As the ability to compete with new technologies is increasingly becoming a crucial criterion for competitive advantage, rather than just the scale of revenue, the Company is successfully entering the premium market, including OLED/P-OLED, through close cooperation with panel and set customers. Besides displays, the Company is also continuously expanding into new areas such as appliances, automotive, and batteries.

### **(5) Strength of the Company**

The Company not only provides core components for display system semiconductors as a total solution but also localizes products that have been highly dependent on imports, contributing to the stable procurement of parts and price competitiveness for domestic downstream companies. The Company also actively supports customers' markets by offering customized premium products through continuous technological development. This win-win strategy, based on trust with forward-looking companies, plays a major role in enhancing competitiveness.

Through these efforts, the Company has secured technological response power to comply with market change in more prompt and flexible ways than other companies from new product development to delivery. Accordingly, the Company is realizing customer diversification through securing domestic and overseas customers based on the unique designing technological power.

## **C. Contents and Prospects for New Business**

The Company fosters various automotive products, including semiconductors for automotive

infotainment displays and next-generation power semiconductors. It is also developing heat dissipation substrates with high strength and superior heat dissipation performance for use in electric vehicles.

The heat dissipation substrate is a core material that has a great influence on the operational lifespan and stability of the power semiconductors. It refers to a substrate with high thermal conductivity to diffuse the heat of the power device to the outside, and has a form of bonding Cu (copper) to an insulating ceramic (alumina, silicon nitride, aluminum nitride) substrate. The market for heat dissipation substrates is expected to see significant growth alongside the eco-friendly electric vehicle and renewable energy markets, with an anticipated CAGR of 13% from 2023 to 2030.

The Company has established a business foundation with a focus on securing demand for MCUs primarily in the domestic appliance sector, aiming to expand into external markets. In the automotive sector, the demand for vehicle semiconductors, including power semiconductors, is expected to grow continuously due to the rise of electric vehicles and autonomous driving technologies. In response, the Company is fostering various automotive products such as semiconductors for automotive infotainment displays and next-generation power semiconductors.

The Company plans to build business momentum for sustainable growth by investing in and nurturing new businesses, as well as securing differentiated technologies.

### III. Finances

#### 1. Summarized Financial Information

##### A. Summarized Consolidated Financial Information

The Company's consolidated financial statements for the first half of 2024 have been prepared in accordance with Korean International Financial Reporting Standards (K-IFRS) and reviewed by an external auditor. The comparative consolidated financial statements for 2024 and 2023 have also been prepared in accordance with K-IFRS.

(Unit: KRW Million)

Category	H1 2024	2023	2022
	30 June 2024	31 December 2023	31 December 2022
[Current assets]	1,080,451	902,886	1,009,649
• Quick assets	912,407	566,995	527,093
• Inventories	168,044	335,891	482,556
[Non-current assets]	314,362	302,179	279,969
• Tangible assets	126,975	125,940	122,180
• Intangible assets	83,944	73,937	63,799
• Other non-current assets	103,443	102,302	93,990
Total assets	1,394,813	1,205,065	1,289,618
[Current liabilities]	338,597	207,337	324,402
[Non-current liabilities]	24,742	20,964	14,856
Total liabilities	363,339	228,301	339,258
[Capital]	8,132	8,132	8,132
[Capital surplus]	76,343	76,343	76,343
[Other components of equity]	(1,349)	(1,073)	(782)
[Retained earnings]	948,348	893,362	866,667
[Non-controlling interest]	-	-	-
Total equities	1,031,474	976,764	950,360
	(01 January 2024 ~ 30 June 2024)	(01 January 2023 ~ 31 December 2023)	(01 January 2022 ~ 31 December 2022)
Sales	943,205	1,901,445	2,119,345
Operating profit	102,294	129,036	310,624
Net income	84,378	101,204	233,693
Owners of the Parent	84,378	101,204	233,693
Non-controlling interest	-	-	-
Net earnings per share (KRW)	5,188	6,222	14,368
Net diluted earnings per share (KRW)	5,188	6,222	14,368
No. of companies included in the consolidation	4	3	3

## B. Summarized Financial Information

The Company's financial statements for the first half of 2024 have been prepared in accordance with K-IFRS and reviewed by an external auditor. The comparative financial statements for 2024 and 2023 have also been prepared in accordance with K-IFRS.

(Unit: KRW Million)

Category	H1 2024	2023	2022
	30 June 2024	31 December 2023	31 December 2022
[Current assets]	1,073,134	897,568	1,006,089
• Quick assets	905,091	561,677	523,533
• Inventories	168,043	335,891	482,556
[Non-current assets]	308,575	298,121	276,313
• Tangible assets	123,515	122,829	117,624
• Intangible assets	83,479	73,795	63,621
• Other non-current assets	101,581	101,497	95,068
Total assets	1,381,709	1,195,688	1,282,402
[Current liabilities]	338,505	208,177	324,485
[Non-current liabilities]	23,524	19,894	13,107
Total liabilities	362,029	228,071	337,592
[Capital]	8,132	8,132	8,132
[Capital surplus]	76,343	76,343	76,343
[Other components of equity]	(381)	(381)	(381)
[Retained earnings]	935,586	883,523	860,716
Total equities	1,019,680	967,617	944,810
Evaluation method for investment shares in subsidiaries, associates, joint ventures	Cost method	Cost method	Cost method
	(01 January 2024 ~ 30 June 2024)	(01 January 2023 ~ 31 December 2023)	(01 January 2022 ~ 31 December 2022)
Sales	943,205	1,901,445	2,119,345
Operating profit	100,978	126,624	309,046
Net income	81,454	97,316	230,608
Net earnings per share (KRW)	5,008	5,983	14,179
Net diluted earnings per share (KRW)	5,008	5,983	14,179

## 2. Consolidated Financial Statements

### 2-1. Statement of Financial Position

As of 30 June 2024

As of 31 December 2023

(Unit: KRW)

	30 June 2024	31 December 2023
<b>Assets</b>		
Current assets	1,080,450,653,897	902,885,508,054
Cash and cash equivalents	257,316,443,974	184,417,149,183
Short-term financial instruments	250,190,430,000	120,514,272,143
Trade receivables	343,796,952,274	204,968,516,437
Other payables	10,122,618,211	3,418,658,323
Other current assets	50,980,635,780	53,675,872,497
Inventories	168,043,573,658	335,891,039,471
Non-current assets	314,362,137,813	302,179,436,683
Long-term other receivables	10,136,542,069	12,768,553,040
Investments in associates and joint ventures	50,007,895,815	47,935,017,586
Tangible assets	108,517,140,556	104,427,738,469
Right-of-use assets	18,457,920,824	21,512,251,346
Intangible assets	83,943,893,119	73,937,288,123
Other non-current assets	17,150,023,406	8,994,436,051
Defined benefit assets	4,263,281,562	9,689,545,632
Deferred tax assets	21,885,440,462	22,914,606,436
Total assets	1,394,812,791,710	1,205,064,944,737
<b>Liabilities</b>		
Current liabilities	338,596,648,374	207,337,013,241
Trade payables	213,917,466,221	97,600,609,220
Other payables	65,072,070,944	44,464,287,526
Other current liabilities	30,396,444,516	32,386,322,421
Derivative liabilities	2,025,003,544	0
Lease liabilities	7,014,279,698	7,643,405,206
Current tax liabilities	20,171,383,451	25,242,388,868
Non-current liabilities	24,742,317,271	20,964,194,264
Other non-current payables	7,788,984,585	1,825,320,000
Other non-current liabilities	5,730,505,769	5,657,823,936
Lease liabilities	11,222,826,917	13,481,050,328
Total liabilities	363,338,965,645	228,301,207,505

Equity		
Equity attributable to owners of the Parent	1,031,473,826,065	976,763,737,232
Capital stock	8,132,150,000	8,132,150,000
Capital surplus	76,343,170,500	76,343,170,500
Other components of equity	(1,349,580,563)	(1,072,918,655)
Retained earnings	948,348,086,128	893,361,335,387
Non-controlling interest	0	0
Total equities	1,031,473,826,065	976,763,737,232
Total equities and liabilities	1,394,812,791,710	1,205,064,944,737

## 2-2. Income Statement

From 01 January to 2024 to 30 June 2024

From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024		H1 2023	
	3 Months	Cumulative	3 Months	Cumulative
Revenue (Sales)	484,883,424,512	943,205,009,053	454,467,665,509	975,932,826,369
Cost of sales	323,513,729,368	632,866,745,669	343,318,796,622	727,916,238,334
Gross profit	161,369,695,144	310,338,263,384	111,148,868,887	248,016,588,035
Selling and administrative expenses	105,311,850,144	208,044,408,284	103,333,781,597	201,058,813,876
Operating profit (loss)	56,057,845,000	102,293,855,100	7,815,087,290	46,957,774,159
Finance income	4,915,865,731	9,125,822,279	3,348,404,797	7,741,540,261
Finance costs	6,633,388,623	13,307,314,024	4,634,379,155	10,131,298,277
Other non-operating income	6,931,899,450	14,510,370,015	5,874,450,029	19,634,909,768
Other non-operating expenses	3,772,367,976	7,876,587,858	6,209,960,986	13,886,749,452
Equity method profit (loss)	(435,294,556)	3,038,580,338	(804,711,667)	(280,407,429)
Income before income taxes	57,064,559,026	107,784,725,850	5,388,890,308	50,035,769,030
Income tax expenses	12,760,690,503	23,406,380,974	705,930,740	9,657,629,891
Net income	44,303,868,523	84,378,344,876	4,682,959,568	40,378,139,139
Attribution of net income (loss)				
Equity attributable to owners of the Parent	44,303,868,523	84,378,344,876	4,682,959,568	40,378,139,139
Non-controlling interests	0	0	0	0
Earnings per share				
Basic earnings per share (Unit: KRW)	2,724.0	5,188.0	288.0	2,483.0
Diluted earnings per share (Unit: KRW)	2,724.0	5,188.0	288.0	2,483.0

## 2-3. Comprehensive Income Statement

From 01 January to 2024 to 30 June 2024  
From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024		H1 2023	
	3 Months	Cumulative	3 Months	Cumulative
Net income (loss)	44,303,868,523	84,378,344,876	4,682,959,568	40,378,139,139
Other comprehensive income	(138,182,436)	(392,516,043)	(1,139,710,422)	(723,358,842)
Items not reclassified to profit or loss:	(55,745,245)	(290,558,508)	27,268,489	27,268,489
Remeasurements of defined benefit plans	(51,983,949)	(115,854,135)	27,268,489	27,268,489
Equity method capital changes	(3,761,296)	(174,704,373)	0	0
Items that may be reclassified to profit or loss:	(82,437,191)	(101,957,535)	(1,166,978,911)	(750,627,331)
Gain (loss) on overseas business translation	184,108,505	386,040,201	(346,626,540)	(51,357,505)
Equity method capital changes	(266,545,696)	(487,997,736)	(820,352,371)	(699,269,826)
Total comprehensive income	44,165,686,087	83,985,828,833	3,543,249,146	39,654,780,297
Attribution of total comprehensive income				
Equity attributable to owners of the Parent	44,165,686,087	83,985,828,833	3,543,249,146	39,654,780,297
Non-controlling interests	0	0	0	0

## 2-4. Statement of Changes in Equity

From 01 January to 2024 to 30 June 2024  
From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	Equity						
	Equity attributable to owners of the Parent					Non-controlling interest	Total
	Capital stock	Capital surplus	Other components of equity	Retained earnings	Total equity attributable to owners of the Parent		
01 January 2023	8,132,150,000	76,343,170,500	(781,710,611)	866,667,038,865	950,360,648,754	0	950,360,648,754
Total comprehensive income							
Net income	0	0	0	40,378,139,139	40,378,139,139	0	40,378,139,139
Defined benefit plans	0	0	0	27,268,489	27,268,489	0	27,268,489
Gain (loss) on overseas business translation	0	0	(51,357,505)	0	(51,357,505)	0	(51,357,505)
Equity method capital changes	0	0	(699,269,826)	0	(699,269,826)	0	(699,269,826)
Transactions with shareholders recognized directly in equity							
Annual dividends	0	0	0	(73,189,350,000)	(73,189,350,000)	0	(73,189,350,000)
30 June 2023	8,132,150,000	76,343,170,500	(1,532,337,942)	833,883,096,493	916,826,079,051	0	916,826,079,051
01 January 2024	8,132,150,000	76,343,170,500	(1,072,918,655)	893,361,335,387	976,763,737,232	0	976,763,737,232
Total comprehensive income							
Net income	0	0	0	84,378,344,876	84,378,344,876	0	84,378,344,876
Defined benefit plans	0	0	0	(115,854,135)	(115,854,135)	0	(115,854,135)
Gain (loss) on overseas business translation	0	0	386,040,201	0	386,040,201	0	386,040,201
Equity method capital changes	0	0	(662,702,109)	0	(662,702,109)	0	(662,702,109)
Transactions with shareholders recognized directly in equity							
Annual dividends	0	0	0	(29,275,740,000)	(29,275,740,000)	0	(29,275,740,000)
30 June 2024	8,132,150,000	76,343,170,500	(1,349,580,563)	948,348,086,128	1,031,473,826,065	0	1,031,473,826,065

## 2-5. Statement of Cash Flows

From 01 January to 2024 to 30 June 2024  
From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024	H1 2023
Operating cash flows	258,336,706,432	58,220,943,700
Cash flows from operating activities	277,785,855,319	89,728,872,463
Net income	84,378,344,876	40,378,139,139
Adjustments	43,073,082,535	56,811,814,536
Change to equities/liabilities on sales operations	150,334,427,908	(7,461,081,212)
Interest received	8,127,782,553	6,332,669,844
Interest paid	(410,453,633)	(250,810,206)
Income taxes paid	(27,166,477,807)	(37,589,788,401)
Cash flows from investing activities	(152,082,289,931)	31,401,886,138
Dividends received	303,000,000	196,950,000
Increase in short-term financial instruments	(350,000,000,000)	(50,022,584,867)
Decrease in short-term financial instruments	220,344,292,104	100,000,000,000
Increase in other receivables	(291,771,583)	(149,742,216)
Decrease in other receivables	3,189,682,223	1,507,123,291
Acquisition of tangible assets	(11,993,653,172)	(21,032,044,941)
Disposal of tangible assets	0	15,075,832,600
Acquisition of intangible assets	(14,235,754,373)	(11,286,597,729)
Disposal of intangible assets	601,914,870	0
Acquisition of investments in associates	0	(2,887,050,000)
Cash flow from financing activities	(33,461,721,122)	(77,517,234,793)
Dividends paid	(29,275,659,685)	(73,189,350,000)
Repayment of lease liabilities	(4,186,061,437)	(4,327,884,793)
Net increase in cash and cash equivalents	72,792,695,379	12,105,595,045
Beginning balance of cash and cash equivalents	184,417,149,183	188,365,134,297
Effects of exchange rate changes on cash and cash equivalents	106,599,412	1,600,179,988
Ending balance of cash and cash equivalents	257,316,443,974	202,070,909,330

### 3. Notes to the Consolidated Financial Statements

From 01 January to 2024 to 30 June 2024

From 01 January to 2023 to 30 June 2023

LX Semicon Co., Ltd. and its Subsidiaries

#### 1. General Information

The general details of LX Semicon Co., Ltd. (hereinafter referred to as the "Parent") and its subsidiaries (hereinafter collectively referred to as the "Group") are as follows.

##### 1.1 The Company Overview

###### (1) Summary of the Parent

LX Semicon Co., Ltd. was established on 11 November 1999 for the purpose of designing and manufacturing FPD (flat panel display) semiconductor IC. The Company is located in 222 Techno 2-ro, Daedeok-gu, Daejeon, Republic of Korea. The Parent has been certified by the Korea Institute for Advancement of Technology as a corporate subsidiary research facility in accordance with Article 16 of the Technology Development Promotion Act and Clause 1 of Article 15 of the Enforcement Decree of the same Act on 19 October 2001. The Company has also been designated as a high-tech company in accordance with Clause 1 of Article 9 of the Special Law on the Cultivation of the Special Research and Development Daedeok-gu and more on 23 October 2011.

After listing its shares on the KOSDAQ market on 8 June 2010, the Parent changed its name from Silicon Works Co., Ltd. To LX Semicon Co., Ltd. on 1 July 2021, and was delisted from the KOSDAQ market and transferred to the KOSPI on 3 November 2022. The amount of paid-in capital of the Parent as of 30 June 2024 is KRW 8,132,150,000 (16,264,300 issued shares and 50,000,000 authorized shares).

The shareholders of the Parent as of 30 June 2024 are as follows:

(Unit: Shares)			
Name of shareholders	No. of shares held	Ratio	Remarks
LX Holdings Co., Ltd.	5,380,524	33.08%	Largest shareholder
Others	10,883,776	66.92%	-
Total	16,264,300	100.00%	

(2) Overview of Subsidiaries as of 30 June 2024 and 31 December 2023

Company name	Location	Major business activity	Account closing	Controlling interest rate at the end of the current period	Controlling interest rate at the end of the previous period
LX Semicon U.S.A., Inc	USA	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon China Co., Ltd.	China	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon China Co., Ltd.	Japan	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon Taiwan Co., Ltd.	Taiwan	Semiconductor manufacturing and designing	December	100%	-

LX Semicon Taiwan Co., Ltd. was newly established and included in the consolidated entities, and no subsidiaries were excluded from consolidation in the first half of 2024.

(3) Summarized Financial Information of Subsidiaries

The summarized financial position statements of the consolidated subsidiaries as of 30 June 2024 and 31 December 2023 and the summarized comprehensive income statements for each accounting period are as follows:

(Unit: KRW)						
Company name	30 June 2024			H1 2024		
	Assets	Liabilities	Equity	Sales	Net Income	Total comprehensive income
LX Semicon U.S.A., Inc	1,466,197,799	132,838,931	1,333,358,868	2,189,092,707	11,009,665	106,307,727
LX Semicon China Co., Ltd.	8,702,949,274	1,365,686,094	7,337,263,180	7,774,812,775	425,392,531	781,476,892
LX Semicon China Co., Ltd.	3,358,273,627	1,969,787,651	1,388,485,976	3,981,323,584	113,033,084	38,465,332
LX Semicon Taiwan Co., Ltd.	1,326,112,016	591,587,699	734,524,317	212,833,508	8,408,787	17,634,317

(Unit: KRW)						
Company name	31 December 2023			H1 2023		
	Assets	Liabilities	Equity	Sales	Net Income	Total comprehensive income
LX Semicon U.S.A., Inc	1,286,722,226	59,671,085	1,227,051,141	1,929,181,985	145,030,956	180,413,440
LX Semicon China Co., Ltd.	8,074,699,003	1,518,912,715	6,555,786,288	7,900,318,595	557,831,080	529,084,513
LX Semicon China Co., Ltd.	3,032,447,494	1,682,426,850	1,350,020,644	2,153,674,606	122,967,103	64,973,681

## 2. Standards for Preparing Financial Statements and Significant Accounting Policies

### (1) Standards for Preparing Semi-Annual Consolidated Financial Statements

The consolidated financial statements of the Group are condensed interim financial statements prepared in accordance with Korean Accounting Standard K-IFRS 1034, Interim Financial Reporting, for a portion of the period covered by the annual financial statements. To properly understand these condensed interim financial statements, they should be used in conjunction with the annual consolidated financial statements for the fiscal year ended 31 December 2023, which were prepared in accordance with Korean International Financial Reporting Standards (K-IFRS).

The significant accounting policies applied in the preparation of the interim financial statements are the same as those adopted in the preparation of the annual consolidated financial statements for the fiscal year ending 31 December 2023, except for the impact related to the introduction of the standards or interpretations described below and the matters specified in section 3) and 4) below.

1) The new standards and interpretations adopted starting from the first half of 2024, as well as the resulting changes in accounting policies, are as follows:

– Amendment to K-IFRS 1001 Presentation of Financial Statements - Classification of Liabilities into Current/Non-current, and Non-current Liabilities with Agreements

At the end of the reporting period, liabilities are classified as current or non-current based on the existence of substantive rights, without considering the likelihood of exercising the right to defer settlement or management's expectations. Additionally, the settlement of liabilities may involve the transfer of the entity's own equity instruments. However, this does not apply to cases where an option to settle a compound financial instrument with equity instruments meets the definition of equity and is recognized separately from the liability. Furthermore, covenants that must be complied with after the reporting period do not affect the classification of liabilities as of the reporting period-end. For liabilities classified as non-current as of the reporting period-end but subject to compliance with covenants within 12 months after the reporting period, disclosures must include information regarding the risk that such liabilities may be settled within 12 months after the reporting period. The amendments to the standards have no significant impact on the consolidated financial statements.

– Amendment to K-IFRS 1007 Statement of Cash Flows and K-IFRS 1107 Financial Instruments: Disclosures - Disclosure of Information on Supplier Financing Arrangements

When supplier financing arrangements are applied, entities must disclose information about such arrangements to enable users of the consolidated financial statements to evaluate their effects on the entity's liabilities, cash flows, and exposure to liquidity risk. The amendments to the standards have no significant impact on the consolidated financial statements.

– Amendment to K-IFRS 1116 Leases - Lease Liabilities Arising from Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback transaction, the lease payments or modified lease payments are determined in a way that does not recognize gains or losses related to the right-of-use retained by the seller-lessee. The amendments to the standard have no

significant impact on the consolidated financial statements.

– Amendment to K-IFRS 1001 Presentation of Financial Statements - Disclosure of Virtual Assets

The amendment specifies additional disclosure requirements for cases where an entity holds virtual assets, holds virtual assets on behalf of customers, or issues virtual assets. The amendments to the standard have no significant impact on the consolidated financial statements.

2) Korean International Financial Reporting Standards (K-IFRS) that have been issued and announced but are not yet effective are as follows:

– Amendments to K-IFRS 1021 The Effects of Changes in Foreign Exchange Rates and K-IFRS 1101 First-time Adoption of Korean International Financial Reporting Standards - Lack of Exchangeability

The amendments require entities to assess the exchangeability of a currency and, if exchangeability with another currency is lacking, estimate the spot exchange rate and disclose relevant information. These amendments are effective for annual reporting periods beginning on or after 1 January 2025, with early adoption permitted. The Group is currently assessing the impact of these amendments on the consolidated financial statements.

3) The Group has applied hedge accounting since the date of the most recent annual financial statements, and the related accounting policies are as follows:

Derivatives are initially recognized at fair value at the time the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives that do not meet the requirements for hedge accounting are classified as held for trading, and changes in their fair value are recognized in the income statement as finance income (expense) depending on the nature of the transaction. Changes in the fair value of derivatives are accounted for differently depending on whether the derivative is designated as a hedging instrument and the nature of the hedged item. The Group enters into derivative contracts for hedging purposes, and some of these derivatives are designated as hedging instruments in the following hedge relationships.

- Hedging against changes in the fair value of recognized assets, liabilities, or firm commitments (Fair Value Hedge)

At the inception of the hedge, the Group documents the economic relationship between the hedging instrument and the hedged item, including the expectation that the hedging instrument will offset changes in the cash flows of the hedged item. The Group also documents its risk management objectives and strategies for undertaking the hedging transaction.

The fair value of derivatives used for hedging purposes is disclosed in Note 5.

The total fair value of derivatives designated as hedging instruments is classified as non-current assets or liabilities if the remaining maturity of the hedged item exceeds 12 months, and as current assets or liabilities if the remaining maturity is 12 months or less. Derivative liabilities not designated as hedging instruments are classified as current or non-current based on the settlement date, while derivative assets are classified as current or non-current based on the expected maturity.

Changes in the fair value of derivatives designated as hedging instruments for fair value hedges are recognized in the income statement along with changes in the fair value of the hedged item attributable to the hedged risk. If the requirements for hedge accounting are no longer met, for hedged items subject to the effective interest method, interest income is amortized over the remaining maturity period.

4) Income Tax Expense: The interim period income tax expense is calculated by applying the best estimate of the weighted-average annual corporate tax rate, i.e., the estimated average annual effective tax rate, to the pre-tax profit of the interim period.

As the Group's consolidated revenue for the entire previous fiscal year meets the revenue requirements for Pillar 2 corporate income tax, the Group qualifies for the exemption conditions under Pillar 2. Therefore, Pillar 2 has no impact on the Group's corporate income tax, and no current income tax related to this matter was recognized in the first half of 2024.

### 3. Significant Judgments and Sources of Estimation Uncertainty

In preparing the interim financial statements, management must make judgments that significantly affect the amounts recognized in the financial statements (excluding matters related to estimates) and make estimates and assumptions concerning the book values of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on past experience and other factors deemed relevant. Actual results may differ from these estimates.

The significant judgments made and the key sources of estimation uncertainty in applying the Group's accounting policies for the preparation of the interim financial statements are consistent with those described in the annual financial statements for the fiscal year ended 31 December 2023, except for the estimation method used in determining income tax expense.

### 4. Operating Segments

The Group segments its reporting based on the nature of goods and services that generate operating revenues and the characteristics of the assets used to provide these services. These segments are defined as aligning with the level at which information is provided to the CEO for decision-making purposes. As a result, it has been identified as a single reporting segment of the Group.

Sales from a single external customer account for more than 10% of the Group's total sales are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Major customer A	531,772,726,606	460,531,403,711
Major customer B	278,592,480,799	346,006,003,370

## 5. Financial Instruments

### (1) Financial Instruments and their Fair Values by Category

The book values of financial instruments by category as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Items at FVTOCI				
Trade receivables	305,882,535,430	(*2)	185,663,383,226	(*2)
Items measured at amortized cost				
Cash and cash equivalents	257,316,443,974	(*2)	184,417,149,183	(*2)
Short-term financial instruments	250,190,430,000	(*2)	120,514,272,143	(*2)
Trade receivables	37,914,416,844	(*2)	19,305,133,211	(*2)
Other receivables	20,259,160,280	(*2)	16,187,211,363	(*2)
Sub-total	565,680,451,098		340,423,765,900	
Total	871,562,986,528		526,087,149,126	
Financial liabilities:				
Items measured at amortized cost				
Trade payables	213,917,466,221	(*2)	97,600,609,220	(*2)
Other payables (*1)	41,937,065,612	(*2)	28,568,539,489	(*2)
Sub-total	255,854,531,833		126,169,148,709	
Derivatives for hedging purposes				
Derivative liabilities	2,025,003,544	2,025,003,544	-	
Others				
Lease liabilities	18,237,106,615	(*3)	21,124,455,534	(*3)
Total	276,116,641,992		147,293,604,243	

(\*1) Employee-related debts that are not included in financial liabilities are excluded.

(\*2) Since the book value is a reasonable approximation of the fair value, the fair value hierarchy and measurement method have been excluded in the disclosure.

(\*3) Lease liabilities have been excluded from the fair value disclosures according to K-IFRS 1107 Financial Instruments: Disclosures.

## (2) Net Profit and Loss by Financial Instrument Category

The details of financial incomes and financing costs recognized in the net income for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	Interest income (Interest expense)		Other income (*)	
	H1 2024	H1 2023	H1 2024	H1 2023
Financial assets measured at FVTOCI	-	-	7,733,578,672	(4,761,379,751)
Financial assets measured at amortized cost	9,055,316,624	5,948,286,738	(7,423,252,864)	2,786,887,473
Lease receivables	-	18,612,222		
Financial liabilities measured at amortized cost	(108,507,648)	-	(4,071,542,691)	(2,937,121,400)
Derivatives for hedging purposes	-	-	(2,025,003,544)	-
Lease liabilities	(410,453,633)	(250,810,206)	-	-
Total	8,536,355,343	5,716,088,754	(5,786,220,427)	(4,911,613,678)

(\*) Other profit or loss consists of financial assets measured at FVTOCI, financial assets measured at amortized cost and financial liabilities measured at amortized cost, loss on disposal of trade receivables, foreign currency translation gain or loss, and foreign currency exchange gain or loss.

## (3) Fair Value Hierarchy, Valuation Techniques, and Inputs

### ① Fair Value Hierarchy

Financial instruments measured at fair value are categorized based on the fair value hierarchy, which is defined as follows:

- Level 1: Quoted (unadjusted) market prices for identical assets or liabilities in active markets accessible at the measurement date. These quoted prices reflect market assumptions regarding economic changes, such as interest rate increases, inflation, and ESG-related risks.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability, such as non-listed equity securities and financial instruments with significant unobservable adjustments due to ESG-related risks.

The categorization of financial instruments measured at fair value based on the fair value hierarchy is as follows:

(Unit: KRW)				
Category	30 June 2024			Total
	Level 1	Level 2	Level 3	
Derivative Assets	-	2,025,003,544	-	2,025,003,544

There were no transfers between levels in the fair value hierarchy for recurring fair value measurements in the first half of 2024.

② Valuation Techniques and Inputs for Fair Value

The valuation techniques and inputs for assets and liabilities measured at fair value and classified as Level 2 in the fair value hierarchy as of 30 June 2024 are as follows:

(Unit: KRW)				
Category	Fair value amount		Valuation technique	Inputs
	30 June 2024	31 December 2023		
Derivative Liabilities	2,025,003,544	-	Discounted cash flow model	Discount rate and exchange rate

(4) Derivatives

The Group has entered into currency forward contracts to hedge fair value risks arising from exchange rate fluctuations. The key details of the derivative contracts are as follows:

① Key Details of Hedging Instruments

(Unit: KRW)

Category	Contract counterparty	Contract amount (Unit: million)	Contract exchange rate	Hedging start date	Hedging maturity date	Account	Book value	
							Assets	Liabilities
Currency Forward	Shinhan Bank and 1 other	USD 106	1,351.60 ~1,381.00	29.04.2024 ~28.06.2024	05.08.2024 ~06.11.2024	Derivative assets/liabilities	-	2,025,003,544
Total							-	2,025,003,544

② Key Details of Hedged Items

(Unit: KRW)

Category	Account	Book value	Fair value change
Currency Forward	Trade Receivables	147,671,150,069	2,025,003,544

③ Results of Hedge Accounting Application

(Unit: KRW)

Category	Change in derivative value	Account recognized in profit or loss	Amount recognized in profit or loss due to ineffectiveness of hedge
Currency Forward	(2,025,003,544)	Gain/Loss on Derivative Valuation	-

(5) Transfer of Financial Assets

The Group transferred the account receivables according to the account receivable factoring contract with the Export-Import Bank, etc. in this transaction, if the relevant trade receivables are not recovered at maturity, the Group is not obligated to pay the unrecovered amount of trade receivables to banks.

There is no book value of trade receivables accounted for as collateralized borrowing as the Group transferred all or part of the transferred financial assets through factoring of accounts receivable as of 30 June 2024.

## 6. Cash and Cash Equivalents

The details of cash and cash equivalents as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Demand deposit	10,744,099,407	7,617,149,183
Term deposit, etc. (*)	246,572,344,567	176,800,000,000
Total	257,316,443,974	184,417,149,183

(\*) This is a financial instrument whose maturity is within 3 months from the acquisition date, has very high liquidity, is easy to convert to a fixed amount, and has a slight risk of value fluctuation.

## 7. Short-Term Financial Instruments

The details of short-term financial instruments as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Term deposit	250,190,430,000	120,514,272,143

## 8. Trade and Other Receivables

The details of trade and other receivables as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade receivables	343,796,952,274	-	204,968,516,437	-
Receivables	6,509,062,361	-	473,025,343	-
Accrued income	2,333,939,664	-	1,406,382,701	-
Loans	1,279,616,186	3,087,759,177	1,539,250,279	4,156,782,820
Deposits	-	7,048,782,892	-	8,611,770,220
Total	353,919,570,485	10,136,542,069	208,387,174,760	12,768,553,040

## 9. Other Assets

Other assets as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Advanced payments	6,017,037,980	5,723,189,658	9,341,418,673	7,432,141,290
Prepaid expenses, etc.	44,963,597,800	11,426,833,748	44,334,453,824	1,562,294,761
Total	50,980,635,780	17,150,023,406	53,675,872,497	8,994,436,051

## 10. Inventories

(1) The details of inventories as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Finished goods	79,508,596,472	102,920,500,226
Work in process	163,739,509,462	307,978,195,302
Right to recover returned goods	76,548,933	131,692,031
Allowance for inventory valuation	(75,302,249,259)	(75,160,516,138)
Merchandise	21,168,050	21,168,050
Total	168,043,573,658	335,891,039,471

(2) The gain (loss) on valuation of inventories for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Cost of goods sold		
Establishment (return) of inventory valuation allowance	141,733,121	31,744,471,899

(3) The cost of inventories recognized as an expense and included in Cost of Sales amounts to KRW 628,569 million (H1 2023: KRW 697,589 million).

## 11. Investment of Associates and Joint Ventures

(1) The changes in the investments in associates and joint ventures as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)							
Company name	Location	Major business activity	Month of account closing	30 June 2024		31 December 2023	
				Ratio (%)	Book value	Ratio (%)	Book value
Advance Power Device Technologies Co. Ltd	Korea	R&D and design of semiconductor devices	3	49.00	4,754,928,509	49.00	4,633,299,873
FJ Composite Materials Co., LTD	Japan	Development, manufacturing, and sales of composite materials	5	28.70	9,296,007,528	28.70	9,349,396,602
Telechips(*)	Korea	Manufacture of electronic integrated circuit	12	10.26	33,236,752,378	10.26	31,172,893,079
LX Ventures New Technology Business Investment Fund No. 1	Korea	Investment in venture businesses	12	23.33	2,720,207,400	23.33	2,779,428,032
Total							47,935,017,586

(\*) The effective ownership in Telechips Inc. is less than 20 percent, but significant influence is exercised through contractual rights to appoint directors.

(2) The changes in the investments in associates and joint ventures for the first half of 2024 and 2023 are as follows:

### ① H1 2024

(Unit: KRW)					
Company name	1 January 2024	Dividend income	Equity method profit (or loss)	Equity method capital changes	30 June 2024
Advance Power Device Technologies Co. Ltd	4,633,299,873	-	121,628,636	-	4,754,928,509
FJ Composite Materials Co., LTD	9,349,396,602	-	454,749,864	(508,138,938)	9,296,007,528
Telechips Inc.	31,172,893,079	(303,000,000)	2,521,422,470	(154,563,171)	33,236,752,378
LX Ventures New Technology Business Investment Fund No. 1	2,779,428,032	-	(59,220,632)		2,720,207,400
Total	47,935,017,586	(303,000,000)	3,038,580,338	(662,702,109)	50,007,895,815

### ② H1 2023

(Unit: KRW)						
Company name	1 January 2023	Acquisition	Dividend income	Equity method profit (or loss)	Equity method capital changes	30 June 2023
Advance Power Device Technologies Co. Ltd	4,403,026,225	-	-	115,730,922	-	4,518,757,147
FJ Composite Materials Co., LTD	7,296,459,614	2,887,050,000	-	(129,597,026)	(658,809,131)	9,395,103,457
Telechips Inc.	28,031,035,949	-	(196,950,000)	(266,541,325)	(40,460,695)	27,527,083,929
Total	39,730,521,788	2,887,050,000	(196,950,000)	(280,407,429)	(699,269,826)	41,440,944,533

## 12. Tangible Assets

The changes in the book value of tangible assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	104,427,738,469	105,170,569,415
Acquisition	11,150,963,992	11,384,012,899
Disposal	(197,921,423)	(12,488,115,932)
Depreciation	(6,860,674,362)	(6,448,681,270)
Other adjustments	(2,966,120)	1,653,019,720
Ending net book value	108,517,140,556	99,270,804,832

## 13. Intangible Assets

The changes in the book value of intangible assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	73,937,288,123	63,798,898,823
Acquisition	14,811,286,236	8,528,228,765
Disposal	(714,643,970)	(37,652,584)
Depreciation	(4,103,721,418)	(4,542,753,432)
Other adjustments	13,684,148	516,978
Ending net book value	83,943,893,119	67,747,238,550

#### 14. Lease

(1) The changes in book value of right-of-use assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	21,512,251,346	17,009,677,694
Acquisition	1,680,436,698	1,217,349,083
Decrease (Termination of contract)	(339,490,999)	(210,543,629)
Depreciation	(4,361,631,790)	(4,587,032,710)
Other increase or decrease	(33,644,431)	(63,674,032)
Ending net book value	18,457,920,824	13,365,776,406

(2) The amounts recognized in profit or loss for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Depreciation on licensed assets	4,361,631,790	4,587,032,710
Interest expense on lease liabilities	410,453,633	250,810,206
Expenses related to short-term leases and small assets lease	692,384,428	678,709,309

(3) The Group's total cash outflows due to leases for the first half of 2024 and 2023 amounted to KRW 5,289 million and KRW 5,257 million, respectively.

## 15. Trade and Other Payables

The details of trade and other payables as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Non-current	Non-current
Trade payables	213,917,466,221	-	97,600,609,220	-
Accrued expenses	30,742,250,500	5,055,502,485	32,483,691,098	-
Dividends payable	80,315	-	-	-
Accrued liabilities	34,329,740,129	1,004,446,400	11,980,596,428	-
Deposits received	-	1,729,035,700	-	1,825,320,000
Total	278,989,537,165	7,788,984,585	142,064,896,746	1,825,320,000

## 16. Other Liabilities

(1) The details of other liabilities as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Advances customers	11,793,445,891	-	12,215,676,394	-
Withholdings	1,108,288,304	-	4,693,642,065	-
Provisions	17,494,710,321	2,498,715,452	15,477,003,962	2,498,715,452
Long-term employee salary liabilities	-	3,231,790,317	-	3,159,108,484
Total	30,396,444,516	5,730,505,769	32,386,322,421	5,657,823,936

(2) The changes in the provisions for the first half of 2024 and 2023 are as follows:

① H1 2024

(Unit: KRW)				
Category	1 January 2024	Establishment (Reversal)	Paid	30 June 2024
Provision for sales warrant	15,286,080,704	2,860,977,699	(4,958,811,617)	13,188,246,786
Provision for return	190,923,258	(72,517,547)	-	118,405,711
Provisions for restoration	2,498,715,452	-	-	2,498,715,452
Total	-	4,188,057,824	-	4,188,057,824

② H1 2023

(Unit: KRW)				
Category	1 January 2023	Establishment (Reversal)	Paid	30 June 2023
Provision for sales warrant	912,979,618	880,171,642		1,793,151,260
Provision for return	225,052,329	(59,681,558)		165,370,771
Provisions for restoration	2,502,515,452	-	(3,800,000)	2,498,715,452
Total	3,640,547,399	820,490,084	(3,800,000)	4,457,237,483

The Group recognizes warranty expense in the provision for product warranties as expected to be borne by the Group related to sales guarantee for the products and recognizes the corresponding transferred amount in selling and administrative expenses. On the other hand, the Group recognizes the amount corresponding to the portion of revenue to be canceled at the time of product return as allowance liability for return and deduction to sales in accordance with the K-IFRS 1115.

## 17. Capital and Capital Surplus

(1) The details of capital as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
No. of authorized shares	50,000,000 shares	50,000,000 shares
Amount per share	500	500
No. of shares issued	16,264,300 shares	16,264,300 shares
Capital	8,132,150,000	8,132,150,000

(2) The details of capital surplus as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Paid-in capital in excess of par value	66,560,617,129	66,560,617,129
Other capital surplus	9,782,553,371	9,782,553,371
Total	76,343,170,500	76,343,170,500

## 18. Other Capital Items

The details of other capital items as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Gain (loss) on overseas business translation	517,296,713	131,256,512
Equity method capital changes	(1,486,069,545)	(823,367,436)
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)	(380,807,731)
Total	(1,349,580,563)	(1,072,918,655)

## 19. Retained Earnings

(1) The details of current retained earnings for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Statutory reserves	4,066,075,000	4,066,075,000
Unappropriated retained earnings	944,282,011,128	889,295,260,387
Total	948,348,086,128	893,361,335,387

(2) The changes in the unappropriated retained earnings for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning balance	889,295,260,387	862,600,963,865
Dividends paid	(29,275,740,000)	(73,189,350,000)
Net income	84,378,344,876	40,378,139,139
Remeasurements of defined benefit plans	(115,854,135)	27,268,489
Ending balance	944,282,011,128	829,817,021,493

## 20. Earnings Per Share

### (1) Basic Earnings Per Share

① The calculation of basic earnings per share for the first half of 2024 and 2023 are as follows:

(Unit: KRW, Shares)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Earnings per ordinary share	44,303,868,523	84,378,344,876	4,682,959,568	40,378,139,139
Weighted average No. of common shares outstanding	16,264,300	16,264,300	16,264,300	16,264,300
Basic earnings per share	2,724	5,188	288	2,483

② Calculation of weighted average No. of common shares outstanding for the first half of 2024.

No. of shares issued (1)	No. of treasury shares (2)	No. of outstanding ordinary shares (1-2)	Weight		Weighted average No. of common shares outstanding
			3 months	Cumulative	
16,264,300 shares	-	16,264,300 shares	91 days/ 91 days	182 days/182 days	16,264,300 shares

③ Calculation of weighted average No. of common shares outstanding for the first half of 2023.

No. of shares issued (1)	No. of treasury shares (2)	No. of outstanding ordinary shares (1-2)	Weight		Weighted average No. of common shares outstanding
			3 months	Cumulative	
16,264,300 shares	-	16,264,300 shares	91 days/ 91 days	181 days/181 days	16,264,300 shares

### (2) Diluted Earnings Per Share

The Group had no dilutive securities for the first half of 2024 and 2023; therefore, diluted earnings per share are the same as basic earnings per share.

## 21. Finance Income and Costs

(1) The details of financial income for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Interest income	4,862,829,143	9,055,316,624	3,195,627,722	5,966,898,960
Gain from foreign exchange rate (financial)	24,915,785	34,525,344	39,867	39,867
Gain on foreign exchange (financial)	28,120,803	35,980,311	152,737,208	1,774,601,434
Total	4,915,865,731	9,125,822,279	3,348,404,797	7,741,540,261

(2) The details of financial expenses for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Interest expenses	334,857,548	518,961,281	120,601,900	250,810,206
Loss on foreign exchange (financial)	25,030,315	34,660,384	-	-
Loss on foreign currency translation (financial)	-	-	(16,239,698)	(10,625,963)
Loss on disposal of trade receivables	4,248,497,216	10,728,688,815	4,530,016,953	9,891,114,034
Loss on valuation of derivatives	2,025,003,544	2,025,003,544	-	-
Total	6,633,388,623	13,307,314,024	4,634,379,155	10,131,298,277

## 22. Other Non-Operating Income and Expenses

(1) The details of other non-operating income for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Gain on foreign exchange (non-financial)	4,623,394,795	10,890,021,975	6,878,851,623	15,699,850,805
Gain on foreign currency translation (non-financial)	2,274,048,468	3,556,789,541	(1,020,527,129)	1,319,899,474
Gain on disposal of tangible assets	23,006,737	24,609,823	3,249,369	2,592,287,033
Gain on disposal of tangible assets	-	1,914,870	-	-
Miscellaneous profits	11,449,450	37,033,806	12,876,166	22,872,456
Total	6,931,899,450	14,510,370,015	5,874,450,029	19,634,909,768

(2) The details of other non-operating expenses for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Loss on foreign exchange (non-financial)	3,808,362,630	6,599,912,166	5,647,353,751	12,400,298,730
Loss on foreign currency translation (non-financial)	(303,276,308)	915,272,689	523,673,512	1,425,218,457
Loss on disposal of tangible assets	198,282,011	205,737,604	384	1,384
Impairment loss on tangible assets	39,936,643	39,936,643		
Loss on disposal of intangible assets	27,982,620	114,643,970	28,034,067	37,652,584
Donations	1,000,000	1,000,000	-	1,714,900
Miscellaneous losses	80,380	84,786	10,899,272	21,863,397
Total	3,772,367,976	7,876,587,858	6,209,960,986	13,886,749,452

### 23. Operating Profit

The main items and amounts included in operating profit calculation for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Sales	484,883,424,512	943,205,009,053	454,467,665,509	975,932,826,369
Products	477,950,431,008	934,639,825,212	452,715,615,731	973,777,206,398
Others	6,932,993,504	8,565,183,841	1,752,049,778	2,155,619,971
COGS	323,513,729,368	632,866,745,669	343,318,796,622	727,916,238,334
Cost of goods sold	318,284,864,076	627,002,684,152	341,896,169,062	726,356,257,505
Others	5,228,865,292	5,864,061,517	1,422,627,560	1,559,980,829
Selling and administrative expenses	105,311,850,144	208,044,408,284	103,333,781,597	201,058,813,876
Salary and bonuses	20,776,206,804	41,564,553,922	20,026,951,727	40,156,422,953
Retirement benefits	1,213,586,642	2,545,939,874	1,078,559,625	2,142,850,919
Employee benefits	4,081,764,852	8,135,151,342	3,955,498,542	8,293,638,125
Travel	1,037,506,693	1,644,328,752	907,144,134	1,602,992,395
Paid rent	749,665,644	1,457,768,030	725,837,843	1,478,083,845
Service fees	8,950,535,420	17,700,207,037	8,020,755,378	16,712,883,664
Depreciation	3,094,305,503	6,172,797,113	3,496,180,188	7,076,009,883
Amortization of intangible assets	1,864,966,657	3,075,114,929	852,729,976	1,748,476,424
Establishment (reversal) of provision for sales guarantee	(125,657,807)	2,860,977,699	1,169,793,237	896,796,932
Ordinary R&D expenses	60,823,829,988	117,681,632,513	60,421,828,196	115,090,719,952
Others	2,845,139,748	5,205,937,073	2,678,502,751	5,859,938,784
Operating profit	56,057,845,000	102,293,855,100	7,815,087,290	46,957,774,159

## 24. Defined Benefit Obligations

The Group pays retirement benefits to employees in a lump sum, which are determined according to the wage level and number of years of service upon retirement, and this is classified as a defined benefit plan. Such retirement benefit can be withdrawn before the resignation of the employee as interim settlement when the legal requirements apply, and the number of years of service for calculating severance pay after the interim settlement is newly calculated from the time of settlement.

(1) The details of defined benefit obligations as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Present value of defined benefit obligation	76,296,145,962	77,449,337,342
Fair value of plan assets	(80,559,427,524)	(87,138,882,974)
Defined benefit obligations (assets)	(4,263,281,562)	(9,689,545,632)

(2) The changes in the present value of defined benefit obligations for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning defined benefit obligations	77,449,337,342	68,723,266,014
Current service cost	5,596,327,874	5,199,838,294
Interest cost	1,644,962,476	1,734,966,896
Transfers between associates	(15,978,880)	(21,052,570)
Retirement benefit payment	(8,378,502,850)	(4,920,441,040)
Ending defined benefit obligations	76,296,145,962	70,716,577,594

(3) The changes in fair value of plan assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning balance of plan assets	87,138,882,974	87,024,709,511
Interest income	1,858,500,096	2,217,985,092
Plan assets remeasurement (before tax)	(150,655,572)	35,459,674
Payment of severance payment form plan assets	(8,173,610,563)	(4,876,271,888)
Others	(113,689,411)	(73,283,593)
Ending balance of plan assets	80,559,427,524	84,328,598,796

(4) The expenses recognized in profit or loss in relation to the defined benefit plan for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Current service cost	5,596,327,874	5,199,838,294
Net interest cost	(213,537,620)	(483,018,196)
Others	113,689,411	73,283,593
Total	5,496,479,665	4,790,103,691

## 25. Income Tax Expense

Income tax expense has been recognized based on the best estimate of the weighted-average annual income tax rate expected for the entire fiscal year. The estimated average annual income tax rate for the fiscal year ending 31 December 2024 is 21.7 percent (compared to 19.3 percent in 2023).

## 26. Statement of Cash Flow

(1) The details of reconciliation of income and expenses during business activities for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Income tax expense	23,406,380,974	9,657,629,891
Depreciation	11,222,306,152	11,035,713,980
Allowance for inventory valuation (provision/reversal)	141,733,121	31,744,471,899
Reversal (provision) of right to recover returned goods	55,143,098	47,251,951
Loss on disposal of inventories	3,371,712,490	3,641,687,622
Provision (reversal) for return liabilities	(72,517,547)	(59,681,558)
Gain on disposal of tangible assets	(24,609,823)	(2,592,287,033)
Loss on disposal of tangible assets	205,737,604	1,384
Gain on disposal of intangible assets	(1,914,870)	-
Loss on disposal of intangible assets	114,643,970	37,652,584
Amortization of intangible assets	4,103,721,418	4,542,753,432
Impairment loss on tangible assets	39,936,643	-
Retirement benefits	5,496,479,665	4,790,103,691
Gain on foreign currency translation	(3,592,769,852)	(3,094,500,908)
Loss on foreign currency translation	915,272,689	1,414,592,494
Interest income	(9,055,316,624)	(5,966,898,960)
Interest expense	518,961,281	250,810,206
Provision (reversal) for sales warranty liabilities	2,860,977,699	896,796,932
Provision for other (loss) liabilities	4,188,057,824	-
Long-term employee benefits	192,881,833	180,530,586
Equity method profit (loss)	(3,038,580,338)	280,407,429
Loss on disposal of trade receivables	2,025,003,544	-
Miscellaneous	(158,416)	4,778,914
Total	43,073,082,535	56,811,814,536

(2) The changes in assets and liabilities during sales for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Trade receivables	(135,306,208,596)	(4,836,962,296)
Other payables	(6,009,880,148)	(4,203,663,887)
Other current assets	10,457,694,699	9,548,366,640
Inventories	164,278,877,104	(48,627,097,422)
Trade payables	115,512,374,282	39,272,678,443
Other current liabilities	(8,965,921,269)	3,688,662,964
Other payables	10,708,563,003	(2,733,131,710)
Long-term employee salary liabilities	(120,200,000)	(67,400,000)
Net defined benefit obligations	(220,871,167)	(65,221,722)
Lease receivables	-	562,687,778
Total	150,334,427,908	(7,461,081,212)

(3) The Group has prepared the cash flows based on operating activities on the cash flow statement using the indirect method. The significant transactions that do not involve cash inflows and outflows for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Transfer for tangible assets in progress	11,502,457,816	11,068,858,948
Transfer for intangible assets in progress	25,250,019,342	3,112,777,043
Increase (decrease) in payables relating to acquisition of tangible assets	(835,289,180)	(9,648,032,042)
Increase (decrease) in payables relating to acquisition of intangible assets	575,531,863	(2,758,368,964)
Increase (decrease) in receivables relating to the disposal of tangible assets	(16,136,000)	-
Recognition of lease liabilities and licensed assets under the lease agreement	1,680,436,698	1,217,349,082
Reclassification of lease liabilities to current liabilities	3,606,229,076	1,433,365,990
Reclassification of lease receivables to current receivables	-	570,314,176
Reclassification of loans to current loans	446,270,759	667,002,346

(4) The changes in liabilities arising from financial activities for the first half of 2024 and 2023 are as follows:

① H1 2024

(Unit: KRW)				
Category	1 January 2024	Cash flow from financial activities	Non-cash transaction	30 June 2024
Dividends payable	-	(29,275,659,685)	29,275,740,000	80,315
Lease liabilities	21,124,455,534	(4,186,061,437)	1,298,712,518	18,237,106,615

② H1 2023

(Unit: KRW)				
Category	1 January 2023	Cash flow from financial activities	Non-cash transaction	31 December 2023
Dividends payable	-	(73,189,350,000)	73,189,350,000	-
Lease liabilities	15,886,600,747	(4,327,884,793)	937,401,374	12,496,117,328

27. Restricted Financial Instruments

The financial instruments restricted for use as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)			
Items	Category	30 June 2024	31 December 2023
Long-term other receivables	Checking deposit	2,000,000	2,000,000

## 28. Related Parties

(1) The details of related parties as of 30 June 2024 and 31 December 2023 are as follows:

Type of special relationship	30 June 2024	31 December 2023
Associates and joint ventures	Advanced Power Device Technology Co., Ltd.	Advanced Power Device Technology Co., Ltd.
	FJ Composite Materials Co., Ltd.	FJ Composite Materials Co., Ltd.
	Telechips Inc.	Telechips Inc.
	LX Ventures New Technology Business Investment Fund No. 1	LX Ventures New Technology Business Investment Fund No. 1 (*1)
Companies exercising significant influence on the Company	LX Holdings Co., Ltd.	LX Holdings Co., Ltd.
Others	LX Holdings Co., Ltd. and joint ventures	LX Holdings Co., Ltd. and joint ventures
	Large corporate group affiliates	Large corporate group affiliates

(\*1) A 23.33 percent stake in LX Ventures New Technology Business Investment Fund No. 1 was acquired in 2023.

(2) The details of specially related parties with the Group for the first half of 2024 and 2023 are as follows:

(Unit: KRW)						
Special relationship	Name	Details	H1 2024		H1 2023	
			3 months	Cumulative	3 months	Cumulative
Associates and joint ventures	FJ Composite Materials Co., Ltd.	Operating expenses	28,811,193	1,390,194,935	3,088,297	56,733,504
Companies exercising significant influence on the Group	LX Holdings Co., Ltd.	Operating expenses	966,408,000	1,883,393,000	949,637,406	1,944,760,000
Other large corporate group affiliates	LX Hausys Co., Ltd.	Operating expenses	-	-	-	189,200,000
	LX Pantos Co., Ltd.	Operating expenses	1,242,356,238	2,325,213,399	1,098,732,632	2,498,831,799
	LX MDI Co., Ltd.	Operating expenses	276,541,120	467,225,270	601,940,680	964,188,680
	LX International Co., Ltd.	Operating expenses	-	4,343,868	-	-
	LX INTERNATIONAL JAPAN LTD.	Operating expenses	7,695,013	23,147,409	36,032,300	40,271,542

(3) The receivables and payables of related parties as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)					
Category	Name	30 June 2024		31 December 2023	
		Trade receivables, etc.	Trade payables, etc.	Trade receivables, etc.	Trade payables, etc.
Associates and joint ventures	FJ Composite Materials Co., Ltd.	-	15,211,914	-	1,368,990,000
Companies exercising significant influence on the Group	LX Holdings Co., Ltd.	15,557,000	-	434,734,000	-
Other large corporate group affiliates	LX Pantos Co., Ltd.	-	1,244,849,529	-	825,695,817
	LX MDI Co., Ltd.	-	5,484,310	-	23,329,662

(4) The details of major fund transactions with the related parties for the first half of 2024 and 2023 are as follows:

(Unit: KRW)						
Category	Name	H1 2024		H1 2023		
		Dividends received	Dividends paid	Dividends received	Dividends paid	Cash contribution, etc.
Associates and joint ventures	FJ Composite Materials Co., Ltd.	-	-	-		2,887,050,000
	Telechips Inc.	303,000,000	-	196,950,000	-	-
Companies exercising significant influence on the Group	LX Holdings Co., Ltd.	-	9,684,943,200	-	24,212,358,000	-
Total		303,000,000	9,684,943,200	196,950,000	24,212,358,000	2,887,050,000

(5) The details of the compensation for key management for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Short-term salaries	3,041,949,807	6,367,467,072	3,164,875,007	6,472,366,530
Retirement benefits	320,084,095	703,640,480	395,135,205	780,435,029
Total	3,362,033,902	7,071,107,552	3,560,010,212	7,252,801,559

The Group's key management personnel include directors who hold significant authority and responsibility for planning, operating, and controlling the Company's activities.

(6) The Group has no security and guarantee details providing to or provided by special interest parties as of 30 June 2024 and 31 December 2023.

29. Commitments and Contingencies

(1) The Group is receiving payment and payment guarantee of KRW 385 million from Seoul Guarantee Insurance as of 30 June 2024.

(2) The Group has a credit limit contract with some financial institutions such as Shinhan Bank, and the Group's credit limit details as of 30 June 2024 are as follows:

(Unit: KRW, USD)			
Category	Financial institutions	KRW	Foreign currency
Purchase foreign exchange, etc.	Shinhan Bank	-	16,000,000
Purchase foreign exchange	NH Bank	-	15,000,000
Purchase foreign exchange	Mizuho Bank	-	60,000,000
Borrowing limit	K-Eximbank	200,000,000,000	-
Borrowing limit	MUFG Bank	150,000,000,000	-
Borrowing limit	Hana Bank	100,000,000,000	-
Borrowing limit	Suhyup Bank	30,000,000,000	-
Currency forward	Shinhan Bank	-	10,000,000
Currency forward	MUFG Bank	-	20,000,000

(3) The Group has an export receivable transfer transaction agreement with the financial institutions in relation to the collection of trade receivables as follows: the limit details of the Group as of 30 June 2024 are as follows:

(Unit: KRW, USD)			
Category	Financial institutions	KRW	Foreign currency
Factoring	Korea Eximbank	-	380,000,000
Factoring	BNP Paribas	-	130,000,000
Factoring	MUFG Bank	100,000,000,000	220,000,000
Factoring	ING Bank	-	95,000,000

- (4) The Group has no details of providing collateral for financial assets as of 30 June 2024.
- (5) The Group has no ongoing litigation or disputes as of 30 June 2024.
- (6) The details of the Group's investment commitments as of 30 June 2024 are as follows: The remaining amount is expected to be additionally paid in accordance with the capital call requests from the executing partners in the future. However, at this point, the timing of such payments cannot be estimated.

(Unit: KRW)			
Category	Total commitment amount	Paid-in capital	Remaining commitment amount
LX Ventures New Technology Business Investment Fund No. 1	7,000,000,000	2,800,000,000	4,200,000,000

## 4. Financial Statements

### 4-1. Statement of Financial Position

As of 30 June 2024

As of 31 December 2023

(Unit: KRW)

	30 June 2024	31 December 2023
<b>Assets</b>		
Current assets	1,073,134,354,096	897,567,662,023
Cash and cash equivalents	251,856,626,805	180,939,531,955
Short-term financial instruments	250,000,000,000	120,000,000,000
Trade receivables	343,796,952,274	204,968,516,437
Other receivables	10,120,779,161	3,417,921,540
Other current assets	49,316,422,198	52,350,652,620
Inventories	168,043,573,658	335,891,039,471
Non-current assets	308,574,546,491	298,120,505,199
Long-term other receivables	9,365,210,427	12,032,846,069
Investments in subsidiaries	4,249,012,045	3,532,122,045
Investments in associates and joint ventures	43,702,873,000	43,702,873,000
Tangible assets	107,294,325,126	103,185,474,956
Right-of-use assets	16,220,974,443	19,643,121,217
Intangible assets	83,478,431,291	73,794,815,777
Other non-current assets	17,125,565,628	8,960,441,666
Defined benefit assets	4,263,281,562	9,689,545,632
Deferred tax assets	22,874,872,969	23,579,264,837
Total assets	1,381,708,900,587	1,195,688,167,222
<b>Liabilities</b>		
Current liabilities	338,504,525,913	208,177,134,196
Trade payables	213,917,466,221	97,600,609,220
Other payables	66,339,566,472	46,298,822,570
Other current liabilities	30,390,868,852	32,374,334,511
Derivative liabilities	2,025,003,544	0
Lease liabilities	5,958,621,376	6,773,233,986
Current tax liabilities	19,872,999,448	25,130,133,909
Non-current liabilities	23,524,403,224	19,893,642,382
Long-term other payables	7,788,984,585	1,825,320,000
Other non-current liabilities	5,730,505,769	5,657,823,936
Lease liabilities	10,004,912,870	12,410,498,446
Total liabilities	362,028,929,137	228,070,776,578
<b>Equity</b>		

Capital stock	8,132,150,000	8,132,150,000
Capital surplus	76,343,170,500	76,343,170,500
Other components of equity	(380,807,731)	(380,807,731)
Retained earnings	935,585,458,681	883,522,877,875
Total equities	1,019,679,971,450	967,617,390,644
Total equities and liabilities	1,381,708,900,587	1,195,688,167,222

#### 4-2. Income Statement

From 01 January to 2024 to 30 June 2024

From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024		H1 2023	
	3 Months	Cumulative	3 Months	Cumulative
Revenue (Sales)	484,883,424,512	943,205,009,053	454,467,665,509	975,932,826,369
Cost of sales	323,513,729,368	632,866,745,669	343,318,796,622	727,916,238,334
Gross profit	161,369,695,144	310,338,263,384	111,148,868,887	248,016,588,035
Selling and administrative expenses	106,018,692,786	209,360,238,118	103,891,642,345	202,186,201,943
Operating profit	55,351,002,358	100,978,025,266	7,257,226,542	45,830,386,092
Finance income	4,900,557,166	9,400,035,328	3,529,572,462	7,884,920,642
Finance costs	6,605,018,217	13,256,902,131	4,623,794,108	10,084,913,488
Other non-operating income	6,925,550,995	14,478,350,161	5,862,378,344	19,612,725,497
Other non-operating expenses	3,771,149,042	7,874,868,969	6,209,703,245	13,876,542,252
Income before income taxes	56,800,943,260	103,724,639,655	5,815,679,995	49,366,576,491
Income tax expenses	12,309,982,849	22,270,464,714	434,695,991	9,336,909,062
Net income	44,490,960,411	81,454,174,941	5,380,984,004	40,029,667,429
Earnings per share				
Basic earnings per share (Unit: KRW)	2,735.0	5,008.0	331.0	2,461.0
Diluted earnings per share (Unit: KRW)	2,735.0	5,008.0	331.0	2,461.0

### 4-3. Comprehensive Income Statement

From 01 January to 2024 to 30 June 2024  
From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024		H1 2023	
	3 Months	Cumulative	3 Months	Cumulative
Net income (loss)	44,490,960,411	81,454,174,941	5,380,984,004	40,029,667,429
Other comprehensive income	(51,983,949)	(115,854,135)	27,268,489	27,268,489
Items not reclassified to profit or loss (Net of tax, other comprehensive income)	(51,983,949)	(115,854,135)	27,268,489	27,268,489
Remeasurements of defined benefit plans	(51,983,949)	(115,854,135)	27,268,489	27,268,489
Total comprehensive income	44,438,976,462	81,338,320,806	5,408,252,493	40,056,935,918

### 4-4. Statement of Changes in Equity

From 01 January to 2024 to 30 June 2024  
From 01 January to 2023 to 30 June 2023

(Unit: KRW)

		Equity				
		Capital	Capital surplus	Other components of equity	Retained earnings	Total
01 January 2023		8,132,150,000	76,343,170,500	(380,807,731)	860,715,726,358	944,810,239,127
Total comprehensive income	Net income	0	0	0	34,648,683,425	34,648,683,425
	Remeasurement elements of defined benefit plans	0	0	0	0	0
Transactions with shareholders recognized directly in equity	Annual dividends	0	0	0	(73,189,350,000)	(73,189,350,000)
30 June 2023		8,132,150,000	76,343,170,500	(380,807,731)	822,175,059,783	906,269,572,552
01 January 2024		8,132,150,000	76,343,170,500	(380,807,731)	883,522,877,875	967,617,390,644
Total comprehensive income	Net income	0	0	0	81,454,174,941	81,454,174,941
	Remeasurement elements of defined benefit plans	0	0	0	(115,854,135)	(115,854,135)
Transactions with shareholders recognized directly in equity	Annual dividends	0	0	0	(29,275,740,000)	(29,275,740,000)
30 June 2024		8,132,150,000	76,343,170,500	(380,807,731)	935,585,458,681	1,019,679,971,450

#### 4-5. Statement of Cash Flows

From 01 January to 2024 to 30 June 2024

From 01 January to 2023 to 30 June 2023

(Unit: KRW)

	H1 2024	H1 2023
Operating cash flows	256,255,023,423	56,616,560,178
Cash flows from operating activities	275,301,879,939	87,910,407,231
Net income	81,454,174,941	40,029,667,429
Adjustments	43,736,202,597	54,948,176,875
Change to equities/liabilities on sales operations	150,111,502,401	(7,067,437,073)
Interest received	8,101,591,094	6,286,683,921
Interest paid	(360,041,740)	(192,495,574)
Income taxes paid	(26,788,405,870)	(37,388,035,400)
Cash flows from investing activities	(152,540,889,627)	31,526,833,293
Dividends received	303,000,000	196,950,000
Increase in short-term financial instruments	(350,000,000,000)	(50,000,000,000)
Decrease in short-term financial instruments	220,000,000,000	100,000,000,000
Increase in other receivables	(259,566,188)	(150,000,000)
Decrease in other receivables	3,189,682,223	1,507,123,291
Acquisition of tangible assets	(11,771,602,736)	(20,933,703,581)
Disposal of tangible assets	0	15,075,832,600
Acquisition of intangible assets	(13,887,427,796)	(11,282,319,017)
Disposal of intangible assets	601,914,870	0
Acquisition of investments in associates	0	(2,887,050,000)
Acquisition of investments in subsidiaries	(716,890,000)	0
Cash flow from financing activities	(32,829,703,225)	(76,903,533,687)
Dividends paid	(29,275,659,685)	(73,189,350,000)
Repayment of lease liabilities	(3,554,043,540)	(3,714,183,687)
Net increase in cash and cash equivalents	70,884,430,571	11,239,859,784
Beginning balance of cash and cash equivalents	180,939,531,955	186,352,407,000
Effects of exchange rate changes on cash and cash equivalents	32,664,279	1,765,784,590
Ending balance of cash and cash equivalents	251,856,626,805	199,358,051,374

## 5. Notes on Financial Statements

From 01 January to 2024 to 30 June 2024

From 01 January to 2023 to 30 June 2023

Lx Semicon Co., Ltd.

### 1. Company Overview

LX Semicon Co., Ltd. (hereinafter referred to as the “Company”) was established on 11 November 1999 for the purpose of designing and manufacturing FPD (flat panel display) semiconductor IC. The Company is located in 222 Techno 2-ro, Daedeok-gu, Daejeon, Republic of Korea. The Company was certified by the Korea Institute for Advancement of Technology as a corporate subsidiary research facility in accordance with Article 16 of the Technology Development Promotion Act and Clause 1 of Article 15 of the Enforcement Decree of the same Act on 19 October 2001. The Company has also been designated as a high-tech company in accordance with Clause 1 of Article 9 of the Special Law on the Cultivation of the Special Research and Development Daedeok-gu and more on 23 October 2011.

After listing its shares on the KOSDAQ market on 8 June 2010, the Company changed its name from Silicon Works Co., Ltd. To LX Semicon Co., Ltd. on 1 July 2021, and was delisted from the KOSDAQ market and transferred to the KOSPI on 3 November 2022. The amount of paid-in capital of the Company as of 30 June 2024 is KRW 8,132,150,000 (16,264,300 issued shares and 50,000,000 authorized shares).

The shareholders of the Company as of 30 June 2024 are as follows:

(Unit: Shares)			
Name of shareholders	No. of shares held	Ratio	Remarks
LX Holdings Co., Ltd.	5,380,524	33.08%	Largest shareholder
Others	10,883,776	66.92%	-
Total	16,264,300	100%	

## 2. Standards for Preparing Financial Statements and Significant Accounting Policies

### (1) Standards for Preparing Semi-Annual Financial Statements

The financial statements of the Parent and its subsidiaries (hereinafter referred to as “the Group”) are condensed interim financial statements prepared in accordance with Korean Accounting Standard K-IFRS 1034, Interim Financial Reporting, for a portion of the period covered by the annual financial statements. To properly understand these condensed interim financial statements, they should be used in conjunction with the annual financial statements for the fiscal year ended 31 December 2023, which were prepared in accordance with Korean International Financial Reporting Standards (K-IFRS).

The significant accounting policies applied in the preparation of the interim financial statements are the same as those adopted in the preparation of the annual financial statements for the fiscal year ending 31 December 2023, except for the impact related to the introduction of the standards or interpretations described below and the matters specified in section 3) and 4) below.

1) The new standards and interpretations adopted starting from the first half of 2024, as well as the resulting changes in accounting policies, are as follows:

– Amendment to K-IFRS 1001 Presentation of Financial Statements - Classification of Liabilities into Current/Non-current, and Non-current Liabilities with Agreements

At the end of the reporting period, liabilities are classified as current or non-current based on the existence of substantive rights, without considering the likelihood of exercising the right to defer settlement or management's expectations. Additionally, the settlement of liabilities may involve the transfer of the entity's own equity instruments. However, this does not apply to cases where an option to settle a compound financial instrument with equity instruments meets the definition of equity and is recognized separately from the liability. Furthermore, covenants that must be complied with after the reporting period do not affect the classification of liabilities as of the reporting period-end. For liabilities classified as non-current as of the reporting period-end but subject to compliance with covenants within 12 months after the reporting period, disclosures must include information regarding the risk that such liabilities may be settled within 12 months after the reporting period. The amendments to the standards have no significant impact on the financial statements.

– Amendment to K-IFRS 1007 Statement of Cash Flows and K-IFRS 1107 Financial Instruments: Disclosures - Disclosure of Information on Supplier Financing Arrangements

When supplier financing arrangements are applied, entities must disclose information about such arrangements to enable users of the financial statements to evaluate their effects on the entity's liabilities, cash flows, and exposure to liquidity risk. The amendments to the standards have no significant impact on the financial statements.

– Amendment to K-IFRS 1116 Leases - Lease Liabilities Arising from Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback transaction, the lease payments or modified lease payments are determined in a way that does not recognize gains or losses related to the right-of-use retained by the seller-lessee. The amendments to the standard have no

significant impact on the financial statements.

– Amendment to K-IFRS 1001 Presentation of Financial Statements - Disclosure of Virtual Assets

The amendment specifies additional disclosure requirements for cases where an entity holds virtual assets, holds virtual assets on behalf of customers, or issues virtual assets. The amendments to the standard have no significant impact on the financial statements.

2) Korean International Financial Reporting Standards (K-IFRS) that have been issued and announced but are not yet effective are as follows:

– Amendments to K-IFRS 1021 The Effects of Changes in Foreign Exchange Rates and K-IFRS 1101 First-time Adoption of Korean International Financial Reporting Standards - Lack of Exchangeability

The amendments require entities to assess the exchangeability of a currency and, if exchangeability with another currency is lacking, estimate the spot exchange rate and disclose relevant information. These amendments are effective for annual reporting periods beginning on or after 1 January 2025, with early adoption permitted. The Company is currently assessing the impact of these amendments on the financial statements.

3) The Company has applied hedge accounting since the date of the most recent annual financial statements, and the related accounting policies are as follows:

Derivatives are initially recognized at fair value at the time the derivative contract is entered into and are subsequently remeasured at fair value. Derivatives that do not meet the requirements for hedge accounting are classified as held for trading, and changes in their fair value are recognized in the income statement as finance income (expense) depending on the nature of the transaction. Changes in the fair value of derivatives are accounted for differently depending on whether the derivative is designated as a hedging instrument and the nature of the hedged item. The Company enters into derivative contracts for hedging purposes, and some of these derivatives are designated as hedging instruments in the following hedge relationships.

- Hedging against changes in the fair value of recognized assets, liabilities, or firm commitments (Fair Value Hedge)

At the inception of the hedge, the Company documents the economic relationship between the hedging instrument and the hedged item, including the expectation that the hedging instrument will offset changes in the cash flows of the hedged item. The Company also documents its risk management objectives and strategies for undertaking the hedging transaction.

The fair value of derivatives used for hedging purposes is disclosed in Note 4.

The total fair value of derivatives designated as hedging instruments is classified as non-current assets or liabilities if the remaining maturity of the hedged item exceeds 12 months, and as current assets or liabilities if the remaining maturity is 12 months or less. Derivative liabilities not designated as hedging instruments are classified as current or non-current based on the settlement date, while derivative assets are classified as current or non-current based on the expected maturity.

Changes in the fair value of derivatives designated as hedging instruments for fair value hedges are recognized in the income statement along with changes in the fair value of the hedged item attributable to the hedged risk. If the requirements for hedge accounting are no longer met, for hedged items subject to the effective interest method, interest income is amortized over the remaining maturity period.

4) Income Tax Expense: The interim period income tax expense is calculated by applying the best estimate of the weighted-average annual corporate tax rate, i.e., the estimated average annual effective tax rate, to the pre-tax profit of the interim period.

As the Company's consolidated revenue for the entire previous fiscal year meets the revenue requirements for Pillar 2 corporate income tax, the Company qualifies for the exemption conditions under Pillar 2. Therefore, Pillar 2 has no impact on the Company's corporate income tax, and no current income tax related to this matter was recognized in the first half of 2024.

### 3. Significant Judgments and Sources of Estimation Uncertainty

In preparing the interim financial statements, management must make judgments that significantly affect the amounts recognized in the financial statements (excluding matters related to estimates) and make estimates and assumptions concerning the book values of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on past experience and other factors deemed relevant. Actual results may differ from these estimates.

The significant judgments made and the key sources of estimation uncertainty in applying the Company's accounting policies for the preparation of the interim financial statements are consistent with those described in the annual financial statements for the fiscal year ended 31 December 2023, except for the estimation method used in determining income tax expense.

#### 4. Financial Instruments

##### (1) Financial Instruments and their Fair Values

The book values of financial instruments by category as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Book value	Fair value	Book value	Fair value
Financial assets:				
Items at FVTOCI				
Trade receivables	305,882,535,430	(*2)	185,663,383,226	(*2)
Items measured at amortized cost				
Cash and cash equivalents	251,856,626,805	(*2)	180,939,531,955	(*2)
Short-term financial instruments	250,000,000,000	(*2)	120,000,000,000	(*2)
Trade receivables	37,914,416,844	(*2)	19,305,133,211	(*2)
Other receivables	19,485,989,588	(*2)	15,450,767,609	(*2)
Sub-total	559,257,033,237		335,695,432,775	
Total	865,139,568,667		521,358,816,001	
Financial liabilities:				
Items measured at amortized cost				
Trade payables	213,917,466,221	(*2)	97,600,609,220	(*2)
Other payables (*1)	43,692,395,622	(*2)	30,945,625,670	(*2)
Sub-total	257,609,861,843		128,546,234,890	
Derivatives for hedging purposes				
Derivative liabilities	2,025,003,544	2,025,003,544	-	
Others				
Lease liabilities	18,237,106,615	(*3)	19,183,732,432	(*3)
Total	276,116,641,992		147,729,967,322	

(\*1) Employee-related debts that are not included in financial liabilities are excluded.

(\*2) Since the book value is a reasonable approximation of the fair value, the fair value hierarchy and measurement method have been excluded in the disclosure.

(\*3) Lease liabilities have been excluded from the fair value disclosures according to K-IFRS 1107 Financial Instruments: Disclosures.

## (2) Net Profit and Loss by Financial Instrument Category

The details of financial incomes and financing costs recognized in the net income for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	Interest income (Interest expense)		Other income (*)	
	H1 2024	H1 2023	H1 2024	H1 2023
Financial assets measured at FVTOCI	-	-	7,733,578,672	(4,761,379,751)
Financial assets measured at amortized cost	9,029,850,890	5,902,269,950	(7,424,903,473)	2,767,629,407
Lease receivables	-	18,612,222	-	-
Financial liabilities measured at amortized cost	(108,507,648)	-	(4,071,542,691)	(2,937,121,400)
Derivatives for hedging purposes	-	-	(2,025,003,544)	-
Lease liabilities	(360,041,740)	(192,495,574)	-	-
Total	8,561,301,502	5,728,386,598	(5,787,871,036)	(4,930,871,744)

(\*) Other profit or loss consists of financial assets measured at FVTOCI, financial assets measured at amortized cost and financial liabilities measured at amortized cost, loss on disposal of trade receivables, foreign currency translation gain or loss, and foreign currency exchange gain or loss.

## (3) Fair Value Hierarchy, Valuation Techniques, and Inputs

### ① Fair Value Hierarchy

Financial instruments measured at fair value are categorized based on the fair value hierarchy, which is defined as follows:

- Level 1: Quoted (unadjusted) market prices for identical assets or liabilities in active markets accessible at the measurement date. These quoted prices reflect market assumptions regarding economic changes, such as interest rate increases, inflation, and ESG-related risks.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability, such as non-listed equity securities and financial instruments with significant unobservable adjustments due to ESG-related risks.

The categorization of financial instruments measured at fair value based on the fair value hierarchy is as follows:

(Unit: KRW)				
Category	30 June 2024			Total
	Level 1	Level 2	Level 3	
파생상품부채	-	2,025,003,544	-	2,025,003,544

There were no transfers between levels in the fair value hierarchy for recurring fair value measurements in the first half of 2024.

② Valuation Techniques and Inputs for Fair Value

The valuation techniques and inputs for assets and liabilities measured at fair value and classified as Level 2 in the fair value hierarchy as of 30 June 2024 are as follows:

(Unit: KRW)				
Category	Fair value amount		Valuation technique	Inputs
	30 June 2024	31 December 2024		
Derivative Liabilities	2,025,003,544	-	Discounted cash flow model	Discount rate and exchange rate

(4) Derivatives

The Company has entered into currency forward contracts to hedge fair value risks arising from exchange rate fluctuations. The key details of the derivative contracts are as follows:

① Key Details of Hedging Instruments

(Unit: KRW)								
Category	Contract counterparty	Contract amount (Unit: million)	Contract exchange rate	Hedging start date	Hedging maturity date	Account	Book value	
							Assets	Liabilities
Currency Forward	Shinhan Bank and 1 other	USD 106	1,351.60 ~1,381.00	29.04.2024 ~28.06.2024	05.08.2024 ~06.11.2024	Derivative assets/liabilities	-	2,025,003,544
Total							-	2,025,003,544

② Key Details of Hedged Items

(Unit: KRW)			
Category	Account	Book value	Fair value change
Currency Forward	Trade Receivables	147,671,150,069	2,025,003,544

③ Results of Hedge Accounting Application

(Unit: KRW)

Category	Change in derivative value	Account recognized in profit or loss	Amount recognized in profit or loss due to ineffectiveness of hedge
Currency Forward	(2,025,003,544)	Gain/Loss on Derivative Valuation	-

(5) Transfer of Financial Assets

The Company transferred the account receivables according to the account receivable factoring contract with the Export-Import Bank, etc. in this transaction, if the relevant trade receivables are not recovered at maturity, the Company is not obligated to pay the unrecovered amount of trade receivables to banks.

There is no book value of trade receivables accounted for as collateralized borrowing as the Company transferred all or part of the transferred financial assets through factoring of accounts receivable as of 30 June 2024.

## 5. Cash and Cash Equivalents

The details of cash and cash equivalents as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Demand deposit	5,284,282,238	4,139,531,955
Term deposit, etc. (*)	246,572,344,567	176,800,000,000
Total	251,856,626,805	180,939,531,955

(\*) This is a financial instrument whose maturity is within 3 months from the acquisition date, has very high liquidity, is easy to convert to a fixed amount, and has a slight risk of value fluctuation.

## 6. Short-Term Financial Instruments

The details of short-term financial instruments as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Term deposit	250,000,000,000	120,000,000,000

## 7. Trade and Other Receivables

The details of trade and other receivables as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Trade receivables	343,796,952,274	-	204,968,516,437	-
Receivables	6,507,223,311	-	472,991,393	-
Accrued income	2,333,939,664	-	1,405,679,868	-
Loans	1,279,616,186	3,087,759,177	1,539,250,279	4,156,782,820
Deposits	-	6,277,451,250	-	7,876,063,249
Total	353,917,731,435	9,365,210,427	208,386,437,977	12,032,846,069

## 8. Other Assets

Other assets as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Advanced payments	5,831,697,644	5,723,189,658	9,339,467,647	7,432,141,290
Prepaid expenses, etc.	43,484,724,554	11,402,375,970	43,011,184,973	1,528,300,376
Total	49,316,422,198	17,125,565,628	52,350,652,620	8,960,441,666

## 9. Inventories

(1) The details of inventories as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Finished goods	79,508,596,472	102,920,500,226
Work in process	163,739,509,462	307,978,195,302
Right to recover returned goods	76,548,933	131,692,031
Allowance for inventory valuation	(75,302,249,259)	(75,160,516,138)
Merchandise	21,168,050	21,168,050
Total	168,043,573,658	335,891,039,471

(2) The gain (loss) on valuation on valuation of inventories for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Cost of goods sold		
Establishment (Reversal) of inventory valuation allowance	141,733,121	31,744,471,899

(3) The cost of inventories recognized as an expense and included in Cost of Sales amounts to KRW 628,569 million (H1 2023: KRW 697,589 million).

## 10. Investments in Subsidiaries, Associates and Joint ventures

(1) The investment in associates and joint ventures as of 30 June 2024 and 31 December 2023 are as follows:

Company name	Location	Major business activity	Account closing	Controlling interest rate at the end of the current period	Controlling interest rate at the end of the previous period
LX Semicon U.S.A., Inc	USA	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon China Co., Ltd.	China	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon China Co., Ltd.	Japan	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon Taiwan Co., Ltd.	Taiwan	Semiconductor manufacturing and designing	December	100%	-

(\*) LX Semicon Taiwan Co., Ltd. was newly established and included in the consolidated entities, and no subsidiaries were excluded from consolidation in the first half of 2024.

(2) The changes in the investments in associates and joint ventures as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)							
Company name	Location	Major business activity	Month of account closing	30 June 2024		31 December 2023	
				Ratio (%)	Book value	Ratio (%)	Book value
Advance Power Device Technologies Co. Ltd	Korea	R&D and design of semiconductor devices	3	49.00	4,410,000,000	49.00	4,410,000,000
FJ Composite Materials Co., LTD	Japan	Development, manufacturing, and sales of composite materials	5	28.70	9,722,823,000	28.70	9,722,823,000
Telechips(*)	Korea	Manufacture of electronic integrated circuit	12	10.26	26,770,050,000	10.26	26,770,050,000
LX Ventures New Technology Business Investment Fund No. 1	Korea	Investment in venture businesses	12	23.33	2,800,000,000	23.33	2,800,000,000
Total					43,702,873,000		43,702,873,000

(\*) Although the share of Telechips Inc. is less than 20%, it is exerting significant influence through the contractual right to appoint directors.

(3) The changes in the investments in subsidiaries, associates and joint ventures for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning balance	47,234,995,045	41,547,945,045
Acquisition	716,890,000	2,887,050,000
Ending balance	47,951,885,045	44,434,995,045

## 11. Tangible Assets

The changes in the book value of tangible assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	103,185,474,956	103,418,994,751
Acquisition	10,928,913,556	11,285,671,539
Disposal	(197,921,423)	(12,488,115,932)
Depreciation	(6,582,205,320)	(6,027,078,041)
Ending net book value	(39,936,643)	1,656,134,164

## 12. Intangible Assets

The changes in the book value of intangible assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	73,794,815,777	63,621,254,908
Acquisition	14,462,959,659	8,523,950,053
Disposal	(714,643,970)	(37,652,584)
Depreciation	(4,064,700,175)	(4,509,274,820)
Ending net book value	83,478,431,291	67,598,277,557

### 13. Lease

(1) The changes in book value of right-of-use assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning net book value	19,643,121,217	14,204,693,929
Acquisition	474,383,684	1,077,147,224
Decrease (Termination of contract)	(138,043,500)	(145,327,503)
Depreciation	(3,758,486,958)	(3,968,524,006)
Ending net book value	16,220,974,443	11,167,989,644

(2) The amounts recognized in profit or loss for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Depreciation on licensed assets	3,758,486,958	3,968,524,006
Interest expense on lease liabilities	360,041,745	192,495,574
Expenses related to short-term leases and small assets lease	100,776,328	132,797,633

(3) The Company's total cash outflows due to leases for the first half of 2024 and 2023 amounted to KRW 4,015 million and KRW 4,039 million, respectively.

#### 14. Trade and Other Payables

The details of trade and other payables as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Non-current	Non-current
Trade payables	213,917,466,221	-	97,600,609,220	-
Accrued expenses	32,499,866,688	5,055,502,485	34,860,777,279	-
Dividends payable	80,315	-	-	-
Accrued liabilities	33,839,619,469	1,004,446,400	11,438,045,291	-
Deposits received	-	1,729,035,700	-	1,825,320,000
Total	280,257,032,693	7,788,984,585	143,899,431,790	1,825,320,000

#### 15. Other Liabilities

(1) The details of other liabilities as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)				
Category	30 June 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Advances customers	11,793,445,891	-	12,215,669,884	-
Withholdings	1,102,712,640	-	4,681,660,665	-
Provisions	17,494,710,321	2,498,715,452	15,477,003,962	2,498,715,452
Long-term employee salary liabilities	-	3,231,790,317	-	3,159,108,484
Total	30,390,868,852	5,730,505,769	32,374,334,511	5,657,823,936

(2) The changes in the provisions for the first half of 2024 and 2023 are as follows:

① H1 2024

(Unit: KRW)				
Category	1 January 2024	Establishment (Reversal)	Paid	30 June 2024
Provision for sales warrant	15,286,080,704	2,860,977,699	(4,958,811,617)	13,188,246,786
Provision for return	190,923,258	(72,517,547)	-	118,405,711
Provisions for restoration	2,498,715,452	-	-	2,498,715,452
Provision for other (loss)	-	4,188,057,824	-	4,188,057,824
Total	17,975,719,414	6,976,517,976	(4,958,811,617)	19,993,425,773

② H1 2023

(Unit: KRW)				
Category	1 January 2023	Establishment (Reversal)	Paid	30 June 2023
Provision for sales warrant	912,979,618	880,171,642	-	1,793,151,260
Provision for return	225,052,329	(59,681,558)	-	165,370,771
Provisions for restoration	2,502,515,452	-	(3,800,000)	2,498,715,452
Total	3,640,547,399	820,490,084	(3,800,000)	4,457,237,483

The Company recognizes warranty expense in the provision for product warranties as expected to be borne by the Company related to sales guarantee for the products and recognizes the corresponding transferred amount in selling and administrative expenses. On the other hand, the Company recognizes the amount corresponding to the portion of revenue to be canceled at the time of product return as allowance liability for return and deduction to sales in accordance with the K-IFRS 1115.

## 16. Capital and Capital Surplus

(1) The details of capital as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
No. of authorized shares	50,000,000 shares	50,000,000 shares
Amount per share	500	500
No. of shares issued	16,264,300 shares	16,264,300 shares
Capital	8,132,150,000	8,132,150,000

(2) The details of capital surplus as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Paid-in capital in excess of par value	66,560,617,129	66,560,617,129
Other capital surplus	9,782,553,371	9,782,553,371
Total	76,343,170,500	76,343,170,500

## 17. Other Capital Items

The details of other capital items as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)	(380,807,731)

## 18. Retained Earnings

(1) The details of current retained earnings as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Statutory reserves	4,066,075,000	4,066,075,000
Unappropriated retained earnings	931,519,383,681	879,456,802,875
Total	935,585,458,681	883,522,877,875

(2) The changes in the unappropriated retained earnings for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning balance	879,456,802,875	856,649,651,358
Dividends paid	(29,275,740,000)	(73,189,350,000)
Net income	81,454,174,941	40,029,667,429
Remeasurements of defined benefit plans	(115,854,135)	27,268,489
Beginning balance	931,519,383,681	823,517,237,276

## 19. Earnings Per Share

### (1) Basic Earnings Per Share

① The calculation of basic earnings per share for the first half of 2024 and 2023 are as follows:

(Unit: KRW, Shares)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Earnings per ordinary share	44,490,960,411	81,454,174,941	5,380,984,004	40,029,667,429
Weighted average No. of common shares outstanding	16,264,300	16,264,300	16,264,300	16,264,300
Basic earnings per share	2,735	5,008	331	2,461

② Calculation of weighted average No. of common shares outstanding for the first half of 2024.

No. of shares issued (1)	No. of treasury shares (2)	No. of outstanding ordinary shares (1-2)	Weight		Weighted average No. of common shares outstanding
			3 months	Cumulative	
16,264,300 shares	-	16,264,300 shares	91 days/ 91 days	182 days/182 days	16,264,300 shares

③ Calculation of weighted average No. of common shares outstanding for the first half of 2023.

No. of shares issued (1)	No. of treasury shares (2)	No. of outstanding ordinary shares (1-2)	Weight		Weighted average No. of common shares outstanding
			3 months	Cumulative	
16,264,300 shares	-	16,264,300 shares	91 days/ 91 days	181 days/181 days	16,264,300 shares

### (2) Diluted Earnings Per Share

The Company had no dilutive securities for the first half of 2024 and 2023; therefore, diluted earnings per share are the same as basic earnings per share.

20. Finance Income and Costs

(1) The details of financial income for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Interest income	4,849,930,172	9,029,850,890	3,187,398,218	5,920,882,172
Gain from foreign exchange rate (financial)	-	303,000,000	196,950,000	196,950,000
Gain on foreign exchange (financial)	24,910,600	34,520,159	-	-
Total	25,716,394	32,664,279	145,224,244	1,767,088,470

(2) The details of financial expenses for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Interest expenses	306,487,142	468,549,388	92,473,275	192,495,574
Loss on foreign exchange (financial)	25,030,315	34,660,384	1,303,880	1,303,880
Loss on disposal of trade receivables	4,248,497,216	10,728,688,815	4,530,016,953	9,891,114,034
Loss on valuation of derivatives	2,025,003,544	2,025,003,544	-	-
Total	6,605,018,217	13,256,902,131	4,623,794,108	10,084,913,488

## 21. Other Non-Operating Income and Expenses

(1) The details of other non-operating income for the first half of 2024 and 2023 are as follows:

Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Gain on foreign exchange (non-financial)	4,623,394,795	10,890,021,975	6,878,851,623	15,699,850,805
Gain on foreign currency translation (non-financial)	2,274,048,468	3,556,789,541	(1,020,527,129)	1,319,899,474
Gain on disposal of tangible assets	17,387,111	18,888,595	3,246,428	2,591,400,854
Gain on disposal of tangible assets	-	1,914,870	-	-
Miscellaneous profits	10,720,621	10,735,180	807,422	1,574,364
Total	6,925,550,995	14,478,350,161	5,862,378,344	19,612,725,497

(2) The details of other non-operating expenses for the first half of 2024 and 2023 are as follows:

Category	(Unit: KRW)			
	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Loss on foreign exchange (non-financial)	3,807,191,977	6,598,241,558	5,647,129,143	12,400,074,122
Loss on foreign currency translation (non-financial)	(303,276,308)	915,272,689	523,673,512	1,425,218,457
Loss on disposal of tangible assets	198,282,011	205,737,604	384	1,384
Impairment loss on tangible assets	39,936,643	39,936,643	-	-
Loss on disposal of intangible assets	27,982,620	114,643,970	28,034,067	37,652,584
Donations	1,000,000	1,000,000	-	1,714,900
Miscellaneous losses	32,099	36,505	10,866,139	11,880,805
Total	3,771,149,042	7,874,868,969	6,209,703,245	13,876,542,252

## 22. Operating Profit

The main items and amounts included in operating profit calculation for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Sales	484,883,424,512	943,205,009,053	454,467,665,509	975,932,826,369
Products	477,950,431,008	934,639,825,212	452,715,615,731	973,777,206,398
Others	6,932,993,504	8,565,183,841	1,752,049,778	2,155,619,971
COGS	323,513,729,368	632,866,745,669	343,318,796,622	727,916,238,334
Cost of goods sold	318,284,864,076	627,002,684,152	341,896,169,062	726,356,257,505
Others	5,228,865,292	5,864,061,517	1,422,627,560	1,559,980,829
Selling and administrative expenses	106,018,692,786	209,360,238,118	103,891,642,345	202,186,201,943
Salary and bonuses	17,994,758,262	36,282,582,283	17,612,566,403	35,206,770,064
Retirement benefits	1,210,506,698	2,541,155,276	1,077,254,342	2,136,506,317
Employee benefits	3,234,232,516	6,581,945,975	3,306,983,967	6,823,155,588
Travel	671,549,693	1,067,217,384	589,112,017	1,026,026,666
Paid rent	370,443,116	747,709,393	375,636,217	789,163,476
Service fees	16,253,722,345	31,360,143,535	13,782,912,968	28,332,580,531
Depreciation	2,628,805,150	5,291,183,239	2,970,654,811	6,035,897,950
Amortization of intangible assets	1,842,660,131	3,036,093,686	835,899,574	1,714,997,812
Establishment (reversal) of provision for sales guarantee	(125,657,807)	2,860,977,699	1,169,793,237	896,796,932
Ordinary R&D expenses	59,489,656,804	115,158,380,542	59,800,910,007	113,982,980,638
Others	2,448,015,878	4,432,849,106	2,369,918,802	5,241,325,969
Operating profit	55,351,002,358	100,978,025,266	7,257,226,542	45,830,386,092

### 23. Defined Benefit Obligations

The Company pays retirement benefits to employees in a lump sum, which are determined according to the wage level and number of years of service upon retirement, and this is classified as a defined benefit plan. Such retirement benefit can be withdrawn before the resignation of the employee as interim settlement when the legal requirements apply, and the number of years of service for calculating severance pay after the interim settlement is newly calculated from the time of settlement.

(1) The details of defined benefit obligations as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)		
Category	30 June 2024	31 December 2023
Present value of defined benefit obligation	76,296,145,962	77,449,337,342
Fair value of plan assets	(80,559,427,524)	(87,138,882,974)
Defined benefit obligations (assets)	(4,263,281,562)	(9,689,545,632)

(2) The changes in the present value of defined benefit obligations for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning defined benefit obligations	77,449,337,342	68,723,266,014
Current service cost	5,596,327,874	5,199,838,294
Interest cost	1,644,962,476	1,734,966,896
Transfers between associates	(15,978,880)	(21,052,570)
Retirement benefit payment	(8,378,502,850)	(4,920,441,040)
Ending defined benefit obligations	76,296,145,962	70,716,577,594

(3) The changes in fair value of plan assets for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Beginning balance of plan assets	87,138,882,974	87,024,709,511
Interest income	1,858,500,096	2,217,985,092
Plan assets remeasurement (before tax)	(150,655,572)	35,459,674
Payment of severance payment form plan assets	(8,173,610,563)	(4,876,271,888)
Others	(113,689,411)	(73,283,593)
Ending balance of plan assets	80,559,427,524	84,328,598,796

(4) Expenses recognized in the current profit or loss regarding the defined benefit plans for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Current service cost	5,596,327,874	5,199,838,294
Net interest cost	(213,537,620)	(483,018,196)
Others	113,689,411	73,283,593
Total	5,496,479,665	4,790,103,691

#### 24. Income Tax Expenses

Income tax expense has been recognized based on the best estimate of the weighted-average annual income tax rate expected for the entire fiscal year. The estimated average annual income tax rate for the fiscal year ending 31 December 2024 is 21.5 percent (compared to the estimated average income tax rate of 18.9 percent for the fiscal year ending 31 December 2023).

25. Statement of Cash Flows

(1) The details of reconciliation of income and expenses during business activities for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Income tax expense	22,270,464,714	9,336,909,062
Depreciation	10,340,692,278	9,995,602,047
Allowance for inventory valuation (provision/reversal)	141,733,121	31,744,471,899
Reversal (provision) of right to recover returned goods	55,143,098	47,251,951
Loss on disposal of inventories	3,371,712,490	3,641,687,622
Provision (reversal) for return liabilities	(72,517,547)	(59,681,558)
Gain on disposal of tangible assets	(18,888,595)	(2,591,400,854)
Loss on disposal of tangible assets	(1,914,870)	-
Gain on disposal of intangible assets	205,737,604	1,384
Loss on disposal of intangible assets	114,643,970	37,652,584
Amortization of intangible assets	4,064,700,175	4,509,274,820
Impairment loss on tangible assets	39,936,643	-
Retirement benefits	5,496,479,665	4,790,103,691
Gain on foreign currency translation	(3,589,453,820)	(3,086,987,944)
Loss on foreign currency translation	915,272,689	1,426,522,337
Interest income	(303,000,000)	(196,950,000)
Interest expense	(9,029,850,890)	(5,920,882,172)
Provision (reversal) for sales warranty liabilities	468,549,388	192,495,574
Provision for other (loss) liabilities	2,860,977,699	896,796,932
Long-term employee benefits	4,188,057,824	-
Equity method profit (loss)	192,881,833	180,530,586
Loss on disposal of trade receivables	2,025,003,544	-
Miscellaneous	(158,416)	4,778,914
Total	43,736,202,597	54,948,176,875

(2) The changes in assets and liabilities during sales for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Trade receivables	(135,392,562,954)	(4,832,317,897)
Other payables	(6,017,575,164)	(4,324,471,412)
Other current assets	10,829,029,063	9,876,788,105
Inventories	164,278,877,104	(48,627,097,422)
Trade payables	115,512,374,282	39,272,678,443
Other current liabilities	(8,959,983,635)	3,673,556,018
Other payables	10,202,414,872	(2,536,638,964)
Long-term employee salary liabilities	(120,200,000)	(67,400,000)
Net defined benefit obligations	(220,871,167)	(65,221,722)
Lease receivables		562,687,778
Total	150,111,502,401	(7,067,437,073)

(3) The Company has prepared the cash flow based on operating activities on the cash flow statement using the indirect method. The significant transactions that do not involve cash inflows and outflows for the first half of 2024 and 2023 are as follows:

(Unit: KRW)		
Category	H1 2024	H1 2023
Transfer for tangible assets in progress	11,502,457,816	11,068,858,948
Transfer for intangible assets in progress	25,250,019,342	3,112,777,043
Increase (decrease) in payables relating to acquisition of tangible assets	(835,289,180)	(9,648,032,042)
Increase (decrease) in payables relating to acquisition of intangible assets	575,531,863	(2,758,368,964)
Increase (decrease) in receivables relating to the disposal of tangible assets	(16,136,000)	-
Recognition of lease liabilities and licensed assets under the lease agreement	474,383,684	1,077,147,224
Reclassification of lease liabilities to current liabilities	2,739,430,930	935,764,906
Reclassification of lease receivables to current receivables	-	570,314,176
Reclassification of loans to current loans	446,270,759	667,002,346

(4) The changes in liabilities arising from financial activities for the first half of 2024 and 2023 are as follows:

① H1 2024

(Unit: KRW)				
Category	1 January 2024	Cash flow from financial activities	Non-cash transaction	30 June 2024
Dividends payable	-	(29,275,659,685)	29,275,740,000	80,315
Lease liabilities	19,183,732,432	(3,554,043,540)	333,845,354	15,963,534,246

② H1 2023

(Unit: KRW)				
Category	1 January 2023	Cash flow from financial activities	Non-cash transaction	30 June 2023
Dividends payable	-	(73,189,350,000)	73,189,350,000	-
Lease liabilities	13,035,055,914	(3,714,183,687)	928,136,919	10,249,009,146

26. Restricted Financial Instruments

The financial instruments restricted for use as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)			
Items	Category	30 June 2024	31 December 2023
Long-term other receivables	Checking deposit	2,000,000	2,000,000

## 27. Related Parties

(1) The details of related parties as of 30 June 2024 and 31 December 2023 are as follows:

Type of special relationship	30 June 2024	31 December 2023
Subsidiaries	LX Semicon U.S.A., Inc	LX Semicon U.S.A., Inc
	LX Semicon China Co., Ltd.	LX Semicon China Co., Ltd.
	LX Semicon Japan Co., Ltd.	LX Semicon Japan Co., Ltd.
	LX Semicon Taiwan Co. Ltd.(*1)	-
Associates and joint ventures	Advanced Power Device Technology Co., Ltd.	Advanced Power Device Technology Co., Ltd.
	FJ Composite Materials Co., Ltd.	FJ Composite Materials Co., Ltd.
	Telechips Inc.	Telechips Inc.
	LX Ventures New Technology Business Investment Fund No. 1	LX Ventures New Technology Business Investment Fund No. 1 (*2)
Companies exercising significant influence on the Company	LX Holdings Co., Ltd.	LX Holdings Co., Ltd.
Others	LX Holdings Co., Ltd. and joint ventures	LX Holdings Co., Ltd. and joint ventures
	Large corporate group affiliates	Large corporate group affiliates

(\*1) LX Semicon Taiwan Co. Ltd. was established in the first half of 2024, and the Company newly acquired 100 percent ownership.

(\*2) A 23.33 percent stake in LX Ventures New Technology Business Investment Fund No. 1 was acquired in 2023.

(2) The details of specially related parties with the Company for the first half of 2024 and 2023 are as follows:

(Unit: KRW)						
Special relationship	Name	Details	H1 2024		H1 2023	
			3 months	Cumulative	3 months	Cumulative
Subsidiaries	LX Semicon U.S.A., Inc	Operating expenses	1,102,780,109	2,204,330,029	918,795,941	1,948,193,102
	LX Semicon China Co., Ltd.	Operating expenses	4,431,674,005	8,285,039,648	4,113,387,018	8,370,698,901
	LX Semicon Japan Co., Ltd.	Operating expenses	2,128,193,309	3,956,710,667	1,165,271,806	2,147,838,863
	LX Semicon Taiwan Co. Ltd.	Operating expenses	213,529,667	213,529,667	-	-
Associates and joint ventures	FJ Composite Materials Co., Ltd	Operating expenses	28,811,193	1,390,194,935	3,088,297	56,733,504
	Telechips Inc.	Operating expenses	-	303,000,000	196,950,000	196,950,000
Companies exercising significant influence on the Group	LX Holdings Co., Ltd.	Operating expenses	966,408,000	1,883,393,000	949,637,406	1,944,760,000
Other large corporate group affiliates	LX Hausys Co., Ltd.	Operating expenses	-	-	-	189,200,000
	LX Pantos Co., Ltd.	Operating expenses	1,242,356,238	2,325,213,399	1,098,732,632	2,498,831,799
	LX MDI Co., Ltd.	Operating expenses	276,541,120	467,225,270	601,940,680	964,188,680
	LX International Co., Ltd.	Operating expenses	-	4,343,868	-	-
	LX INTERNATIONAL JAPAN LTD.	Operating expenses	-	7,751,174	36,032,300	40,271,542

(3) The receivables and payables of related parties as of 30 June 2024 and 31 December 2023 are as follows:

(Unit: KRW)					
Category	Name	30 June 2024		31 December 2023	
		Trade receivables, etc.	Trade payables, etc.	Trade receivables, etc.	Trade payables, etc.
Subsidiaries	LX Semicon U.S.A., Inc	-	353,466,617	-	367,326,322
	LX Semicon China Co., Ltd.	-	1,574,823,837	-	2,001,759,235
	LX Semicon Japan Co., Ltd.	-	708,261,284	-	659,756,055
	LX Semicon Taiwan Co. Ltd.	-	113,224,951	-	-
Associates and joint ventures	FJ Composite Materials Co., Ltd.	-	15,211,914	-	1,368,990,000
Companies exercising significant influence on the Company	LX Holdings Co., Ltd.	15,557,000	-	434,734,000	-
Other large corporate group affiliates	LX Pantos Co., Ltd.	-	1,244,849,529	-	825,695,817
	LX MDI Co., Ltd.	-	5,484,310	-	23,329,662

(4) The details of major fund transactions with the related parties for the first half of 2024 and 2023 are as follows:

(Unit: KRW)							
Category	Name	H1 2024			H1 2023		
		Dividends received	Dividends paid	Cash contribution, etc.	Dividends paid	Dividends received	Cash contribution, etc.
Subsidiaries	LX Semicon Taiwan Co. Ltd.	-	-	716,890,000	-	-	-
Associates and joint ventures	FJ Composite Materials Co., Ltd.	-	-	-	-	-	2,887,050,000
	Telechips Inc.	303,000,000	-	-	196,950,000	-	-
Companies exercising significant influence on the Company	LX Holdings Co., Ltd.	-	9,684,943,200	-	-	24,212,358,000	-
Total		303,000,000	9,684,943,200	716,890,000	196,950,000	24,212,358,000	2,887,050,000

(5) The details of the compensation for key management for the first half of 2024 and 2023 are as follows:

(Unit: KRW)				
Category	H1 2024		H1 2023	
	3 months	Cumulative	3 months	Cumulative
Short-term salaries	3,041,949,807	6,367,467,072	3,164,875,007	6,472,366,530
Retirement benefits	320,084,095	703,640,480	395,135,205	780,435,029
Total	3,362,033,902	7,071,107,552	3,560,010,212	7,252,801,559

The Company's key management personnel include directors who hold significant authority and responsibility for planning, operating, and controlling the Company's activities.

(6) The Company has no security and guarantee details providing to or provided by special interest parties as of 30 June 2024 and 31 December 2023.

## 28. Commitments and Contingencies

(1) The Company is receiving payment and payment guarantee of KRW 385 million from Seoul Guarantee Insurance as of 30 June 2024.

(2) The Company has a credit limit contract with some financial institutions such as Shinhan Bank, and the Company's credit limit details as of 30 June 2024 are as follows:

(Unit: KRW, USD)			
Category	Financial institutions	KRW	Foreign currency
Purchase foreign exchange, etc.	Shinhan Bank	-	16,000,000
Purchase foreign exchange	NH Bank	-	15,000,000
Purchase foreign exchange	Mizuho Bank	-	60,000,000
Borrowing limit	K-Eximbank	200,000,000,000	-
Borrowing limit	MUFG Bank	150,000,000,000	-
Borrowing limit	Hana Bank	100,000,000,000	-
Borrowing limit	Suhyup Bank	30,000,000,000	-
Currency forward	Shinhan Bank	-	10,000,000
Currency forward	MUFG Bank	-	20,000,000

(3) The Company has an export receivable transfer transaction agreement with the financial institutions in relation to the collection of trade receivables as follows: the limit details of the Company as of 30 June 2024 are as follows:

(Unit: KRW, USD)			
Category	Financial institutions	KRW	Foreign currency
Factoring	Korea Eximbank	-	380,000,000
Factoring	BNP Paribas	-	130,000,000
Factoring	MUFG Bank	100,000,000,000	220,000,000
Factoring	ING Bank	-	95,000,000

(4) The Company has no details of providing collateral for financial assets as of 30 June 2024.

(5) The Company has no ongoing litigation or disputes as of 30 June 2024.

(6) The details of the Company's investment commitments as of 30 June 2024 are as follows: The remaining amount is expected to be additionally paid in accordance with the capital call requests from the executing partners in the future. However, at this point, the timing of such payments cannot be estimated.

(Unit: KRW)			
Category	Total commitment amount	Paid-in capital	Remaining commitment amount
LX Ventures New Technology Business Investment Fund No. 1	7,000,000,000	2,800,000,000	4,200,000,000

## 6. Dividends

This information is not included in the semi-annual report in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

## 7. Fundraising Through Securities Issuance

### 7-1. Fundraising Performance Through Securities Issuance

#### A. Status of Equity Securities Issuance and Reduction

There was no equity securities issued during the disclosure period.

##### (1) Status of Capital Increase (Decrease)

(As of 30 June 2024)

(Unit: KRW, Shares)

Issuance of shares Date of share issue (decrease)	Issue (decrease) type	Details of issued (decreased) shares				
		Types	Quantity	Par value per share	Issued (decreased) price per share	Remarks
-	-	-	-	-	-	-

#### B. Debt Securities that may Convert to Equity Securities

There was no debt securities issued during the disclosure period.

##### (1) Issuance Performance of Debt Securities

[Issuance of Debt Securities, etc.]

(As of 30 June 2024)

(Unit: KRW, %)

Issuer	Type of securities	Method of issue	Date of issue	Total (electronic registration)	Interest rate	Rating (rating institution)	Maturity	Repayment	Undertaking company
-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

(2) Outstanding Balance of Corporate Paper

(As of 30 June 2024)

(Unit: KRW)

Remaining to maturity		10 days or less	10 – 30 days	30-90 days	90-180 days	180 days - 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding Balance	Public offering	-	-	-	-	-	-	-	-	-
	Private offering	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-

(3) Outstanding Balance of Short-Term Bonds

(As of 30 June 2024)

(Unit: KRW)

Remaining to maturity		10 days or less	10 – 30 days	30-90 days	90-180 days	180 days - 1 year	Total	Limit of issue	Remaining limit
Outstanding balance	Public offering	-	-	-	-	-	-	-	-
	Private offering	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

(4) Outstanding Balance of Corporate Bonds

(As of 30 June 2024)

(Unit: KRW)

Remaining to maturity		1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	Over 10 years	Total
Outstanding balance	Public offering	-	-	-	-	-	-	-	-
	Private offering	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

(5) Outstanding Balance of Hybrid Securities

(As of 30 June 2024)

(Unit: KRW)

Remaining to maturity		1 year or less	1-5 years	5-10 years	10-15 years	15-20 years	20-30 years	Over 30 years	Total
Outstanding balance	Public offering	-	-	-	-	-	-	-	-
	Private offering	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

(6) Outstanding Balance of Conditional Capital Securities

(As of 30 June 2024)

(Unit: KRW)

Remaining to maturity		1 year or less	1-2 years	2-3 years	3-4 years	4-5 years	5-10 years	10-20 years	20-30 years	Over 30 year	Total
Outstanding balance	Public offering	-	-	-	-	-	-	-	-	-	-
	Private offering	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-

**7-2. Actual Use of Funds Raised Through the Issuance of Securities**

There were no funds raised through the issuance of securities during the disclosure period; therefore, this is not applicable.

## 8. Other Financial Matters

### A. Notes on Restatement of Financial Statements

#### (1) Reasons, Details, and Impact of Restated (Consolidated) Financial Statements

There are no applicable matters as of the report preparation date.

#### (2) Mergers, Spin-offs, Asset Transfers, and Business Acquisitions

There are no applicable matters as of the report preparation date.

### B. Status of Allowance for Doubtful Accounts

#### (1) Details of Allowance for Doubtful Accounts by Account Category

[As of 30 June 2024]

(Unit: KRW Million, %)

Category	Account	Receivable Amount	Allowance for bad debts	Allowance rate
H1 2024	Trade receivables	343,797	-	0.0
	Other payables	10,123	-	0.0
	Non-current other receivables	10,136	-	0.0
	Total	364,056	-	0.0
2023	Trade receivables	204,969	-	0.0
	Other payables	3,419	-	0.0
	Non-current other receivables	12,769	-	0.0
	Total	221,157	-	0.0
2022	Trade receivables	143,348	-	0.0
	Other payables	30,339	-	0.0
	Non-current other receivables	15,730	-	0.0
	Total	189,417	-	0.0

\*) The consolidated subsidiaries of the Company have no record of establishing allowance for bad debts.

## (2) Changes in Allowance for Bad Debts

The changes in the allowance for bad debts from trade receivables in the year are as follows:

[As of 30 June 2024]

(Unit: KRW Million)

Category	H1 2024	2023	2022
1. Total allowance for bad debts as of 1 January	-	-	-
2. Net recognition as bad debts(①+②±③)	-	-	-
① Amount processed as bad debts (receivables written off)	-	-	-
② Recollected receivables	-	-	-
③ Other increases/decreases	-	-	-
3. Amount in reflection of allowance for bad debts	-	-	-
4. Total allowance for bad debts as of 31 December	-	-	-

\* ) The consolidated subsidiaries of the Company have no chance of establishing allowance for bad debts.

## (3) Policy on Establishing the Allowance for Bad Debts over the Trade Receivables

The assumed bad debt amounts are set to allowances for bad debts in parallel use of the individual analysis method and age analysis for the balances of trade receivables.

- Establish 100 percent allowance for bad debts to receivables with the age of a year or longer as a result of analysis on the age of receivables.
- The experience ratio of bad debts is calculated and established on the basis of the accrued bad debts in reality on the average balance of receivables in the past 3 years.

## (4) Outstanding Amount of Trade Receivables by their Elapsed Duration

[As of 30 June 2024]

(Unit: KRW Million)

Category	Elapsed period		Total
	Within 6 months	Over 6 months	
Trade receivables	343,797	-	343,797
Total	343,797	-	343,797
Ratio (%)	100.00	-	100.00

## C. Inventory Status

### (1) Status on Inventories Per Business Division

[As of 30 June 2024]

(Unit: KRW Million)

Business sector	Items	H1 2024	2023	2022	Remarks
System IC	Finished goods	59,348	102,921	184,831	-
	Merchandise	0	21	47	-
	Inventories	108,696	232,949	297,678	-
Total		168,044	335,891	482,556	-
Portion of inventory over gross assets (%) [Total inventories ÷ Total assets as of 31 December × 100]		12.0	27.9	37.4	-
Inventory turnover ratio (Collection) [Cost of goods sold ÷ {(Beginning inventory + Ending inventory) ÷ 2}]		5.0	3.3	4.2	-

\*) The Company's business consists of a single segment, System IC. Therefore, inventory assets are not classified by business segment.

### (2) Due Diligence Results on Inventories

#### ① Date of due diligence

Due diligence on inventories is carried out twice a year on the basis at the end of June and December.

#### ② Method of due diligence

Examination with samples is carried out for some items with less importance although total quantity shall be examined in principle.

The external auditor shall be present in the due diligence of inventory, take samples and check out the existence of inventories.

#### ③ Status of long-term stagnant inventory, etc.

Loss due to obsolescence evaluation of inventories is determined, and the evaluation details of inventories as of 30 June 2024 are as follows:

[As of 30 June 2024]

(Unit: KRW Million)

Items	Acquisition cost	Holding amount	Valuation allowance	Balance as of 30 June 2024
Inventories	243,346	243,346	(75,302)	168,044

## D. Status of Order Contracts

There is no contract revenue amounts that account for 5 percent or more of the revenue in the financial statements of the previous fiscal year; therefore, this is not applicable as of the report preparation date.

## E. Details of Fair Value Assessment

The book value and fair values of financial assets and financial liabilities including the hierarchy system of fair values are as follows:

Category	30 June 2024	
	Book value	Fair value (*2)
Financial assets:		
Items at FVTOCI		
Trade receivables	305,882,535,430	(*2)
Items measured at amortized cost		
Cash and cash equivalents	257,316,443,974	(*2)
Short-term financial instruments	250,190,430,000	(*2)
Trade receivables	37,914,416,844	(*2)
Other receivables (*1)	20,259,160,280	(*2)
Sub-total	565,680,451,098	
Total	871,562,986,528	
Financial liabilities:		
Items measured at amortized cost		
Trade payables	213,917,466,221	(*2)
Other payables (*1)	41,937,065,612	(*2)
Sub-total	255,854,531,833	
Derivatives for hedging purposes		
Derivative liabilities	2,025,003,544	2,025,003,544
Others		
Lease liabilities	18,237,106,615	(*3)
Total	276,116,641,992	

(\*1) Employee-related liabilities not included in financial liabilities are excluded.

(\*2) The carrying amount reasonably approximates fair value; therefore, disclosures regarding the fair value hierarchy and measurement methods have been omitted.

(\*3) Lease liabilities are excluded from fair value disclosures in accordance with K-IFRS 1107 Financial Instruments: Disclosures.

## **IV. Management Analysis and Opinions by Directors**

This information is not included in the quarterly or semi-annual reports in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

## V. Audit Opinions and Related Matters

### 1. Matters Concerning External Audit

#### A. Name and Audit Opinion of Auditor

Fiscal year	Auditor	Opinion	Special remarks	Key audit matters
H1 2024	Samil PwC	Not applicable	Not applicable	-
2023	Samil PwC	Unqualified	Not applicable	Inventory valuation
2022	Anjin LLC	Unqualified	Not applicable	Inventory valuation

#### B. Audit Service Contract Status

(Unit: KRW Million, Hour(S))

Fiscal year	Auditor	Contents	Audit contract details		Actual performance details	
			Remuneration	Hours	Remuneration	Hours
H1 2024	Samil PwC	Quarterly and semi-annual reviews Audit of separate and consolidated financial statements and internal control over financial reporting	300	3,200	150	866
2023	Samil PwC	Quarterly and semi-annual reviews Audit of separate and consolidated financial statements and internal control over financial reporting	280	3,200	280	3,046
2022	Anjin LLC	Quarterly and semi-annual reviews Audit of separate and consolidated financial statements and internal control over financial reporting	460	3,948	460	3,497

#### C. Non-Audit Service Contracts with Auditor

(Unit: KRW Million)

Fiscal year	Contracted in	Services	Period	Remuneration	Remarks
H1 2024	Jun. 2024	Implementation of agreed procedures for verification of financial information	Jun. 2024 ~ Jun. 2024	0	-
	Jan. 2024	Tax advisory services	Jan. 2024 ~ Jan. 2025	18	-
2023	Aug. 2023	Tax advisory services	Aug. 2023 ~ Dec. 2023	12	-
	Aug. 2023	Transfer pricing review	Aug. 2023 ~ Oct. 2023	10	-
	Aug. 2023	Tax advisory services	Aug. 2023 ~ Mar. 2024	10	-
	Dec. 2022	Tax advisory services	Dec. 2022 ~ Mar. 2023	5	Samil PwC (prior to the conclusion of the audit contract)
	Jul. 2022	Tax advisory services	Jul. 2022 ~ Mar. 2023	13	Samil PwC (prior to the conclusion of the audit contract)
2022	Mar. 2022	Implementation of agreed procedures for verification of financial information written in the application for independent management accreditation	One week from the date of contract	0	- Financial information target period: 2021 - Service compensation is included in the 2020 contract price.

## D. Internal Audit and Accounting Auditor Discussions on Stakeholder Impact in Financial Statements

No.	Date	Participants	Method	Key Discussion Topics
1	31.05.2022	Company: 3 Audit Committee members Auditor: Engagement Partner	Written	Report on the annual audit plan and key focus areas
2	31.12.2022	Company: 3 Audit Committee members Auditor: Engagement Partner	Written	Report on the year-end audit plan and key audit matters
3	26.01.2023	Company: 3 Audit Committee members Auditor: Engagement Partner	In-person	Report on year-end audit results and evaluation of internal control system operations
4	26.07.2023	Company: 3 Audit Committee members Auditor: Engagement Partner	In-person	Report on the annual audit plan and progress
5	20.12.2023	Company: 3 Audit Committee members Auditor: Engagement Partner	Written	Significant findings from audits and reviews, progress report on key audit matters
6	25.01.2024	Company: 3 Audit Committee members Auditor: Engagement Partner	In-person	Significant findings from audits and reviews, progress report on key audit matters
7	11.03.2024	Company: 3 Audit Committee members Auditor: Engagement Partner	Written	Final year-end audit report and follow-up events
8	22.04.2024	Company: 3 Audit Committee members Auditor: Engagement Partner	In-person	Report on the annual audit plan and quarterly review progress
9	25.07.2024	Company: 3 Audit Committee members Auditor: Engagement Partner	In-person	Report on the annual audit plan and semi-annual review progress

## E. Auditors Opinion on Subsidiaries

There are no subsidiaries that received an audit opinion other than unqualified from the external auditor in the first half of 2024.

## F. Change of Auditors

The Company's designated audit period for 2020–2022 has expired, and the Audit Committee appointed Samil PwC as the auditor for the fiscal years 2023 to 2025.

## G. Detailed Information on Discrepancies in Financial Statements Between Previous and Current Fiscal Years and Key Discussion Points of the Disagreement Adjustment Meeting

There are no discrepancies between the auditors of the previous and current fiscal years regarding errors or corrections in the financial statements of the previous fiscal year; therefore, this is not applicable as of the report preparation date.

## 2. Internal Accounting Management System

### A. Internal Control

The Company has omitted further details, as it confirmed the opinion that its internal control is operating effectively based on the evaluation of the internal monitoring system by the Audit Committee on 25 January 2024.

### B. Status of Operation of the Internal Accounting Management System

#### (1) If the internal accounting manager has presented issues or improvement measures regarding the internal accounting management system, the details and follow-up measures:

There are no applicable matters as of the report preparation date.

#### (2) If the auditor expressed an opinion on the internal accounting management system during the disclosure period, or if any significant weaknesses were identified, the details and improvement measures:

There are no applicable matters as of the report preparation date.

#### [Report by the Internal Accounting Manager]

Fiscal year	Reporting date	Details	Remarks
2023	25.01.2024	The Company's internal accounting control system as of 31 December 2023 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	-
2022	26.01.2023	The Company's internal accounting control system as of 31 December 2022 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	-
2021	27.01.2022	The Company's internal accounting control system as of 31 December 2021 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	-

#### [Overall Opinions Represented in the Audit Report by Auditor]

Fiscal year	Auditor	Details	Points to note
2023	Samil PwC	The Company's internal accounting control system as of 31 December 2023 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	Not applicable
2022	Anjin LLC	The Company's internal accounting control system as of 31 December 2022 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	Not applicable
2021	Anjin LLC	The Company's internal accounting control system as of 31 December 2021 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	Not applicable

### **C. Evaluation of the Internal Control Structure**

There have been no evaluations of the internal control structure, other than the internal accounting management system, conducted by the auditor during the disclosure period; therefore, this is not applicable as of the report preparation date.

## VI. Board of Directors and Corporate Governance

### 1. Board of Directors

#### A. Overview of the Structure of Board of Directors

The Company's board of directors consists of two internal directors, one non-executive director, and three external directors as of the report preparation date. Son Bo-Ik, the representative director, also serves as the chairperson of the board, having been appointed under Article 5 of the Company's Board of Directors Regulations. For the key background and responsibilities of each director, please refer to "VIII. Executives and Employees - 1. Status of Executives and Employees."

The Audit Committee, Finance Committee, and ESG Committee have been established and are in operation in the board of directors.

Name of committee	Configuration	Director Name	Purpose and authority
Audit Committee	3 external directors	Wi Kyung-Woo (chairperson) Jung Seong-Wook Kim Nam-Soo	- Purpose To perform the internal monitoring function for the management and to enhance the transparency of accounting information - Authority Supervision authority, including investigation of the company's business and property status, and request for business reports to the management
Finance Committee	2 internal directors	Lee Yun-Tae (chairperson) Kim Hun	- Purpose To Improve management efficiency through prompt decision-making on matters entrusted by the board of directors, matters requiring prior review for discussion by the board of directors, and other daily financial matters - Authority Deliberation and resolution of matters entrusted to the Finance Committee by the Board of Directors and other daily management matters
ESG Committee	1 internal director 3 external directors	Lee Yun-Tae Wi Kyung-Woo (chairperson) Jung Seong-Wook Kim Nam-Soo	- Purpose To realize sustainable growth by realizing ESG management for the environment, society, and governance and strengthening the company's internal control on internal transactions - Authority Deliberation, resolution and supervision of overall internal transactions, including ESG management and transactions between affiliates

\*1) Kim Nam-Soo, an external director and a member of the Audit Committee, was appointed at the 25th ordinary general meeting of shareholders in 2024.

\*2) Lee Yun-Tae, an internal director, and Kim Nam-Soo, an external director, were newly appointed as members of the ESG Committee at the 3rd Board of Directors meeting in 2024.

#### [External Directors and their Changes]

(Unit: Person(s))

No. of directors	No. of external directors	Changes in external directors		
		Appointment	Dismissal	Early retirement
7	4	2	-	-

\*1) Kim Nam-Soo, an external director and a member of the Audit Committee, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

\*2) Han Sang-Beom, an external director, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

## B. Major Resolutions

No.	Date	Agenda	Approval Status	Director Name						
				Son Bo-Ik	Kim Hun	Jung Seong-Wook	Kim Nam0Soo	Wi Kyung-Woo	Roh Jin-Seo	
				(Att.: 0%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	
Vote (Y/N)										
1	25.01.2024	Reported	1. Report on operating results for Q4 2023 and full-year 2023 2. Report on the status of internal accounting management system operation 3. Report on the results of the finance committee meeting 4. Report on the status of compliance control system operation 5. Report on the termination of advisory contract	Reported	-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
					-	-	-	-	-	-
2	28.02.2024	Approved	1. Approval of financial statements and business report for the 25th fiscal year 2. Approval of industrial safety and health plan 3. Approval of executive officer appointments	Approved	Absent	Y	Y	Y	Y	Y
					Absent	Y	Y	Y	Y	Y
					Absent	Y	Y	Y	Y	Y
2	28.02.2024	Approved	1. Report on the evaluation results of the internal accounting management system operation 1. Approval of the convening and agenda of the 25th annual general meeting of shareholders	Reported Approved	- Y	- Y	- Y	- Y	- Y	- Y

No.	Date	Agenda	Approval Status	Director Name							
				Lee Yun-Tae	Kim Hun	Jung Seong-Wook	Kim Nam0Soo	Wi Kyung-Woo	Roh Jin-Seo	Han Sang-Beom	
				(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	(Att.: 100%)	
Vote (Y/N)											
3	21.03.2024	Approved	1. Appointment of the Chairperson of the Board of Directors 2. Appointment of the Chief Executive Officer (CEO) 3. Appointment of a Member of the ESG Committee 4. Approval of the Amendment to the Executive Personnel Management Regulations 5. Approval of the Payment of Directors' Remuneration 6. Approval of the Appointment of an Advisor 7. Approval of the Extension of the Credit Line Agreement with Financial Institutions	Approved	Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
					Y	Y	Y	Y	Y	Y	Y
4	28.02.2024	Reported	1. Report on the Evaluation Results of the Internal Accounting Control System Operation 1. Approval of the Convening and Agenda Items of the 25th Annual General Meeting of Shareholders	Reported	-	-	-	-	-	-	-
					-	-	-	-	-	-	-

## C. Committee Within the BOD

### (1) Composition of Committee Within the BOD

Name of Committee	Configuration	Director Name	Purpose and Authority
Finance Committee	2 internal directors	Lee Yun-Tae (chairperson) Kim Hun	- Purpose To Improve management efficiency through prompt decision-making on matters entrusted by the board of directors, matters requiring prior review for discussion by the board of directors, and other daily financial matters - Authority Deliberation and resolution of matters entrusted to the Finance Committee by the Board of Directors and other daily management matters
ESG Committee	1 internal director 3 external directors	Lee Yun-Tae Wi Kyung-Woo (chairperson) Jung Seong-Wook Kim Nam-Soo	- Purpose To realize sustainable growth by realizing ESG management for the environment, society, and governance and strengthening the company's internal control on internal transactions - Authority Deliberation, resolution and supervision of overall internal transactions, including ESG management and transactions between affiliates

\*1) Please refer to VI-2. Audit System for details on the Audit Committee.

\*2) Lee Yun-Tae, an internal director, and Kim Nam-Soo, an external director, were newly appointed as members of the ESG Committee at the 3rd Board of Directors meeting in 2024.

## (2) Activities of the Committee Within the BOD

### [Finance Committee]

No.	Date	Agenda	Approval Status	Director Name		
				Lee Yun-Tae (Att.: 100%)	Kim Hun (Att.: 100%)	
				Vote (Y/N)		
1	02.04.2024	Approved	Approved	1. Approval for the establishment of a Taiwan subsidiary	Y	Y
				2. Approval for the relocation of the U.S. subsidiary's business site	Y	Y
				3. Approval for the closure of a business site	Y	Y

### [ESG Committee]

No.	Date	Agenda	Approval Status	Director Name				
				Lee Yun-Tae (Att.: 100%)	Wi Kyung-Woo (Att.: 100%)	Jung Seong-Wook (Att.: 100%)	Kim Nam-Soo (Att.: 100%)	
				Vote (Y/N)				
1	11.04.2024	Reported	Reported	1. Report on the progress of publishing the Sustainability Management Report	-	-	-	-
				2. Report on the status of carbon neutrality implementation	-	-	-	-
		Approved	Approved	1. Approval of the Human Rights Management Policy	Y	Y	Y	Y

\*1) The ESG Committee did not convene from 1 January 2024 to 30 June 2024.

## D. Independence of Directors

The directors are elected at the shareholders' meeting, and the candidates for the directors to be elected at the shareholders' meeting are appointed by the board of directors meeting and submitted to the general meeting shareholders as an agenda. If there is a shareholder's proposal pursuant to the relevant laws and regulations related to the election of directors, the Board of Directors shall submit it to the general meeting of shareholders within the legal scope.

As the total assets as of the Ending of the current fiscal year are less than KRW 2 trillion, the Company has no obligation to establish a recommendation committee for independent directors. in order to secure fairness and obligation to establish a recommendation committee for independent directors.

The six directors elected in accordance with these procedures as of 30 June 2024 are as follows:

Title	Name	Reason for appointment	Recommender	Field of activity (Assigned duties)	Transactions with the Company	Relationship with the largest or major shareholders	Term	Reappointment (No. of Reap.)
Internal director	Lee Yun-Tae	He served as the head of the SIC Center at LG Electronics, as the leading authority in the field of system semiconductors. Based on his abundant experience and competence, he was appointed as the CEO of LX Semicon from 2017 and has excellent capabilities in the overall operation of the Company, such as continuing the Company's growth. Therefore, he was appointed as the internal director.	BOD	CEO, board chairman	N/A	Registered executive of a subsidiary (LX Semicon)	3 yrs.	-
Internal director	Kim Hun	He has performed overall financial and business management at LG Co., Ltd. and LX International Co., Ltd. for a long time, and is expected to be appointed as the company's CFO in 2022 and be able to contribute to the company's development in the major decision-making process based on his diverse experience in	BOD	CFO, internal accounting manager		Registered executive of a subsidiary (LX Semicon)	3 yrs.	-

		overall management. Appointed as internal director.					
Other non-executive director	Roh Jin-Seo	He was appointed as other non-executive director since he has long-standing management and planning experience at LG and LG Electronics, and based on sufficient experience and knowledge in related fields and experience in justice management, he is expected to contribute to development of the Company through his stable performance of his work.	BOD	Business for overall management	Registered executive of the largest shareholder (LX Holdings)	3 yrs.	-
External director	Wi Kyung-Woo	He is currently a professor at the department of business administration at SMWU, and is expected to contribute to the Company's development by providing advice on overall management and a lot of experience from the perspective of a financial expert.	BOD	Business for overall management, Chairman of the Audit Committee	Not applicable	3 yrs.	Reap. (1)
External director	Shin Yeong-Soo	He is a PhD in electronic engineering at Seoul National Uni., and is currently serving as a professor in the department of electronic engineering at KAIST. He was appointed as an external director because he was judged to be able to contribute to the Company's business development based on his knowledge and experience in the semiconductor business field.	BOD	Business for overall management, Audit Committee member	Not applicable	3 yrs.	Reap. (1)
External director	Jung Seong-Wook	He is currently working in the Department of Electrical and Electronic Engineering at Yonsei University. He was appointed as an external director with his practical experience working as an engineer at leading global semiconductor companies and outstanding expertise in the overall semiconductor industry, he is expected to be able to appropriately perform his role as an external director, including strengthening the expertise of the company's decision-making and advising on the company's business.	BOD	Business for overall management, audit committee member	Not applicable	3 yrs.	-
External director	Kim Nam-Soo	He is a graduate of the Electrical and Electronics Engineering Department at KAIST, holding both a master's and a doctorate degree, and is currently a professor in the Department of Electrical and Computer Engineering at Seoul National University. As an expert in electrical and electronic engineering, he was appointed as an external director with the expectation that he can provide clear guidance on the company's products and future business directions.	BOD	Business for overall management, Audit Committee member	Not applicable	3 yrs.	-
External director	Han Sang-Beom	He is a seasoned expert with decades of experience in semiconductor and display research and development. He was appointed as an external director with the expectation that he would provide exceptional expertise in critical decision-making processes, such as identifying improvements and weaknesses in various new investments the company plans to pursue.	BOD	Business for overall management	Not applicable	3 yrs.	-

\*1) Lee Yun-Tae, an internal director, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

\*2) Kim Hoon, an internal director, was appointed at the 24th ordinary general meeting of shareholders in 2023, with a term of three years.

\*3) Jung Seong-Wook, an external director, was appointed at the 24th ordinary general meeting of shareholders in 2023, with a term of three years.

\*4) Kim Nam-Soo, an external director, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

\*5) Han Sang-Beom, an external director, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

## ■ Authorities of the Board of Directors

1) The board of directors decides important corporate issues pursuant to Chapter 5 of the Articles of Incorporation.

2) The board of directors shall review and decide the following issues pursuant to Article 393-2 of the Commercial Act:

- Proposal of issues requiring the approval of the general meeting of shareholders
- Appointment and dismissal of the CEO
- Establishment of the committee and the appointment and dismissal of its members
- Matters determined by the Articles of Incorporation

## E. Professionalism of External Directors

### (1) Job Performance Support Organizations for External Directors

- CFO Legal Team
- Key Responsibilities: Supporting the operation of the Board of Directors and assisting external directors in performing their duties
- Team Personnel: 8 members

Department	No. of Staff	Positions (Tenure)	Support Period	Key Activities
Legal Team	8	5 managers, 3 senior associates (average tenure: 1.5 years)	Average of 1.5 years	Providing prior explanations on Board of Directors agenda items to external directors Assisting with requests necessary for external directors to perform their duties Organizing and scheduling workshops, seminars, and training sessions for external directors

\*) The tenure is calculated based on the period of employment with the Company.

### (2) Training for External Directors

#### [Status of Education and Workshop Implementation of External Directors]

Date	Organizer	Participating Independent Directors	Reason for Absence	Details
27.01.2022	Finance team Accounting management team Management improvement team	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Report on internal audit department business performance and plan; External audit progress and key audit items
18.02.2022	Finance/IR team Accounting management team Management improvement team	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Evaluation results of the operation status of the ICFR, evaluation result of the ICFR, and audit report from the audit committee
17.08.2022	Finance/IR team Accounting management team Management improvement team	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Inspection plan of the internal accounting control system operation status, operation plan of 2022 ICFR, performance report of internal audit department, and result report of evaluation on ICFR design
06.12.2022	Samil PwC(external training)	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Roles of the Audit Committee for fraud prevention, compliance control, and the responsibilities of external directors
06.01.2023	Legal team Financial accounting team	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Appointment of new external auditor
26.01.2023	Legal team Management diagnosis team Financial accounting team Internal accounting part	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Report on internal audit department work performance and plan, report on external auditor's audit progress and key audit items, report on ICFR operation status
22.02.2023	Legal team Management diagnosis team	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Evaluation results of the operation status of the ICFR, evaluation result of the ICFR, and audit report from the Audit Committee
26.07.2023	Legal team Management diagnosis team Internal accounting part	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Plan for inspecting the operation of the ICFR Report on the internal audit department's performance for <b>the first half of 2024</b> and plans for the second half
25.01.2024	Legal team, Ethics office	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Report on the performance and plans of the internal audit department
28.02.2024	Legal team, Ethics office	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Evaluation of the operation of the internal accounting management system in 2023 Review of the status of the internal monitoring system in 2023 Review of the Audit Committee's audit report for 2023
11.04.2024	Deloitte Anjin LLC (External Training)	Wi Kyung-Woo Jung Seong-Wook, Kim Nam-Soo	-	ESG Trends and Developments Key ESG Issues for 2024

## 2. Audit System

### (1) Status of Audit Committee Members

Name	External Director Y/N	Career Information	Accounting and Financial Experts		
			Y/N	Type of Expert	Related Career
Wi Kyung-Woo	Y	BA in Economics, SNU MA Business Administration, UCLA PhD Business Administration, UCLA Prof. of Business Administration, SMWU (1997~present) President of the Korean Financial Association (2021~present) External director of Mirae Asset Life Insurance (2020~Present)	Y	Accounting and finance degree holders	BA in Economics, SNU MA in Business Administration, UCLA PhD Business Administration, UCLA (Current) Prof. of Business Administration, SMWU (1997~present) President of the Korean Financial Association (2021~present) External director of Mirae Asset Life Insurance (2020~Present)
Jung Seong-Wook	Y	BE in Dept. of Electronic Engineering, Yonsei Uni. ME in Dept. of Electronic Engineering, Yonsei Uni. PhD in Engineering, Univ. of Illinois at Urbana Champaign Senior researcher, Semiconductor Division, Samsung Electronics Co., Ltd. (1989-2001) T-RAM Inc., San Jose, Principal Engineer(2001-2003) Qualcomm Inc., San Diego, Principal Engineer/Manager(2003~2006) Prof. of College of Engineering, Yonsei Uni. (2006~present) Director, Korea Institute of Electrical and Electronics Engineers (2016~2018) Dean of College of Engineering, Yonsei Uni. (2016~2018) Chairman of establishment for the Dept. of System Semiconductor Engineering, Yonsei Uni.(2019~2021) Dean of Dept. of System Semiconductor Engineering, Yonsei Uni. (2021~2022) Dean of Director of Engineering Research Institute, Yonsei Uni. (2021~2022)	-	-	-
Kim Nam-Soo	Y	BA in Electrical Engineering, SNU MA in Electrical and Electronics Engineering, KAIST PhD in Electrical and Electronics Engineering, KAIST  Professor, Department of Electrical and Computer Engineering, SNU (Mar. 1998~Present) Director, Center for Super-Realistic Acoustic Technology, SNU (2012~2016) Director, New Media Communication Joint Research Institute, SNU (2016~2019) Senior Researcher, Samsung Advanced Institute of Technology (May 1993~Feb. 1998)			

\*) Kim Nam-Soo, an external director and a member of the Audit Committee, was appointed at the 25th ordinary general meeting of shareholders in 2024, with a term of three years.

## (2) Independence of the Members of the Audit Committee

The three members of the Audit Committee (three persons) are all external directors who do not have any reasons for disqualification in accordance with the Commercial Act. They are maintaining their independence and the appointment of the members has been made after thorough review by the board of directors and the final approval by the general meeting of shareholders.

The Company is complying with the procedures set forth in the Commercial Act and other relevant laws. Also, the organization, authority, and the scope of work are clearly stated in the relevant rules in order to carry out the auditory works.

Criteria for Selection	Compliance	Relevant Laws
Consisting of three directors	Satisfied (3 people)	Article 415-2 (2) of the Commercial Act
Two thirds or more independent directors as members	Satisfied (all members are independent directors)	
One or more members as an accounting or financial expert	Satisfied (Wi Kyung-Woo)	Article 542-11 (2) of the Commercial Act
Independent director as the representative of the Audit Committee	Satisfied	
Other disqualification requirements (related parties with the largest shareholder)	Satisfied (Not applicable)	Article 542-11 (3) of the Commercial Act

Audit Committee	Background of Appointment	Recommended by	Deal with the Company	Relationship with the Largest or Major Shareholders
Wi Kyung-Woo	Appointed as an expert in finance and accounting, judged as the right person	BOD	N/A	N/A
Jung Seong-Wook	Appointed as a semiconductor expert, judged as the right person	BOD	N/A	N/A
Kim Nam-Soo	Appointed as he was deemed a suitable candidate as an expert in electrical and electronic engineering	BOD	N/A	N/A

## (3) Activities of the Audit Committee

No.	Date	Agenda	Approval Status	External director			Remarks
				Wi Kyung-Woo (Att.: 100%)	Jung Seong-Wook (Att.: 100%)	Shin Yeong-Soo (Att.: 100%)	
				Vote (Y/N)			
1	25.01.2024	Reported	Reported	-	-	-	-
				-	-	-	
				-	-	-	
				-	-	-	
		Approved	Approved	Y	Y	Y	
2	28.02.2024	Approved	Approved	Y	Y	Y	-
				Y	Y	Y	
				Y	Y	Y	
3	22.04.2024	Reported	Reported	-	-	-	-
				-	-	-	
		Approved	Approved	Y	Y	Y	

#### (4) Training Implementation for the Audit Committee

Date	Organizer	Participating Audit Committee	Reason for absence	Details
06.12.2022	Samil PwC	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Roles of the Audit Committee for fraud prevention, compliance control, and the responsibilities of external directors
08.11.2023	Samil PwC	Wi Kyung-Woo Yoon Il-Goo Shin Yeong-Soo	-	Trends in Audit Committee Systems and operations

#### (5) Status of Support Organizations for the Audit Committee

Dept. (team) name	No. of employees (persons)	Positions (Tenure)	Major activities
Legal Team	8	5 managers, 3 senior associates (average tenure: 1.5 years)	Support for the operation and job performance of the Audit Committee and establishment of the Audit Committee workshops and seminar training schedules
Management Diagnosis/Improvement Team	2	2 managers (average tenure: 3.5 years)	Support for internal accounting management system evaluation and exercise of audit authority

\*) The tenure is calculated based on the period of employment with the Company.

### B. Compliance Officers

This information is not included in the semi-annual reports in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

## 3. General Meeting of Shareholders, etc.

Voting systems, minority shareholder rights, management control competition, and stock administration matters are not included in the semi-annual report in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

### A. Voting Rights

(As of 30 June 2024)

(Unit: Shares)

Category	Type of shares	No. of shares	Remarks
Total No. of shares issued (A)	Common shares	16,264,300	-
	Preferred shares	-	-
No. of shares without voting rights (B)	Common shares	-	-
	Preferred shares	-	-
No. of shares with restricted voting rights based on the Articles of Association laws (C)	Common shares	-	-
	Preferred shares	-	-
No. of shares with restricted voting rights based on other laws (D)	Common shares	-	-
	Preferred shares	-	-
No. of shares with resurrected voting rights (E)	Common shares	-	-
	Preferred shares	-	-
No. of shares with voting rights (F = A - B - C - D + E)	Common shares	16,264,300	-
	Preferred shares	-	-

## B. Summary of Minutes of Shareholders Meeting

Date	Agenda	Resolution
2023 Ordinary general meeting of shareholders (21 March 2024)	1. Approval of the 2023 consolidated financial statements and financial statements 2. Approval of amendment to the Articles of Incorporation 3. Appointment of directors 3-1: Appointment of internal director Lee Yun-Tae 3-2: Appointment of internal director Kim Hun 3-3: Appointment of external director Jung Seong-Wook 4. Appointment of a member of the Audit Committee - External director, Jung Seong-Wook 5. Approval of limit of remuneration for directors	Approved Approved  Approved Approved Approved Approved Approved
2022 Ordinary general meeting of shareholders (23 March 2023)	1. Approval of the 2022 consolidated financial statements and financial statements 2. Approval of amendment to the Articles of Incorporation 3. Appointment of directors 3-1: Appointment of internal director Lee Yun-Tae 3-2: Appointment of internal director Kim Hun 3-3: Appointment of external director Jung Seong-Wook 4. Appointment of a member of the Audit Committee - External director, Jung Seong-Wook 5. Approval of limit of remuneration for directors	Approved Approved  Approved Approved Approved Approved Approved
2022 Extraordinary general meeting of shareholders (23 September 2022)	1. Approval of KOSDAQ conditional delisting and KOSPI transfer	Approved
2021 Ordinary general meeting of shareholders (22 March 2022)	1. Approval of the 2021 consolidated financial statements and financial statements 2. Appointment of a director - External director, Wi Kyung-Woo 3. Appointment of members of the Audit Committee - External director, Wi Kyung-Woo 4. Approval of limit of remuneration for directors 5. Approval of revision of executive severance pay payment regulations	Approved Approved Approved Approved Approved

## VII. Shareholders

### A. Shareholding of the Largest Shareholder and its Special Interest Parties

(As of 30 June 2024)

(Unit: Shares, %)

Name	Relationship	Type of shares	No. of shares owned and the stake				Remarks
			Beginning		Ending		
			No. of shares	Ratio	No. of shares	Ratio	
LX Holdings Co., Ltd.	Largest shareholder	Common shares	5,380,524	33.08	5,380,524	33.08	-
Lee Yun-Tae	Executive of an affiliate	Common shares	0	0.00	2,500	0.02	-
Choi Sung-Kwan	Executive of an affiliate	Common shares	1,600	0.01	1,600	0.01	-
Total		Common shares	5,382,124	33.09	5,384,724	33.11	-
		-	-	-	-	-	-

\*1) Lee Yun-Tae, the representative director, newly acquired 2,500 shares through an on-market purchase on 23 January 2024.

### B. Major Career and Overview of the Largest Shareholder

#### (1) Basic Information on the Largest Shareholder

Name	No. of investors	Representative director (Representative member)		Business executive (Business executive member)		Largest shareholder (The largest investor)	
		Name	Ratio (%)	Name	Ratio (%)	Name	Ratio (%)
LX Holdings Co., Ltd.	60,998	Koo Bon-Joon	20.37	-	-	Koo Bon-Joon	20.37
		Roh Jin-Seo	-	-	-	-	-

\*1) The number of investors is as of 31 December 2023, the date of the recent closing of the shareholder register.

\*2) The ratio is based on Common shares as of 31 December 2023.

#### [Changes of Representative Directors, Business Executives, and Largest Shareholder of Corporations or Organizations]

Date of change	Representative director (Representative member)		Business executive (Business executive member)		Largest shareholder (The largest investor)	
	Name	Ratio (%)	Name	Ratio (%)	Name	Ratio (%)
03.05.2021	Koo Bon-Joon	7.72	-	-	Koo Kwang-Mo	15.95
03.05.20021	Song Chi-Ho	-	-	-	-	-
14.12.2021	Koo Bon-Joon	40.04	-	-	Koo Bon-Joon	40.04
27.12.2021	Koo Bon-Joon	20.37	-	-	Koo Bon-Joon	20.37
29.03.2022	Roh Jin-Seo	-	-	-	-	-

\*1) CEOs Koo Bon-Joon and Song Chi-Ho have been newly appointed by the board of directors on 3 May 2021.

\*2) The largest shareholder has been changed from CEO Koo Kwang-Mo of LG Corp. To CEO Koo Bon-Joon of LX Holdings Co., Ltd. due to over-the-counter trading on 14 December 2021.

\*3) CEO Koo Bon-Joon, CEO of LX Holdings Co., Ltd., gave a stock donation, resulting in a decrease in the ratio on 27 December 2021.

\*4) CEO Song Chi-Ho has resigned, and new CEO Roh Jin-Seo was appointed on 29 March 2022.

\*5) The ratio is based on common shares.

## (2) Financial Status of the Largest Shareholder

The financial status of LX Holdings Co., Ltd., the Company's largest shareholder, as of the end of December 2023.

(Unit: KRW Million)

Category	
Name of corporation or organization	LX Holdings Co., Ltd.
Total assets	1,698,527
Total liabilities	35,679
Total equities	1,662,848
Sales	37,913
Operating profit	73,176
Net income	78,842

\*1) Based on the consolidated financial statements as of the end of December 2023.

\*2) For the financial status as of the end of June 2024, please refer to the quarterly report of LX Holdings Co., Ltd., which will be disclosed in August 2024.

## (3) Major Contents that may Affect the Stability of the Company's Business Including Business Status

The Company's largest shareholder, LX Holdings Co., Ltd., was established through a spin-off from LG Corp. with the spin-off date being 1 May 2021. As of 30 June 2024, LX Holdings Co., Ltd. is a holding company that controls various business activities through ownership of shares in LX International Co., Ltd., LX Hausys Co., Ltd., LX Semicon Co., Ltd., LX MMA Co., Ltd., LX MDI Co., Ltd., and LX Ventures Co., Ltd. The primary sources of income for LX Holdings Co., Ltd. include dividend income and trademark royalty income.

### C. Changes to the Largest Shareholder

(As of 30 June 2024)

(Unit: Shares, %)

Date of change	Name of the largest shareholder	No. of shares owned	Ratio	Reason for change	Remarks
03.05.2021	LX Holdings Co., Ltd.	5,384,724	33.11	Stock succession due to spin-off of LG Corp.	-

\*1) The largest shareholder changed from LG Corp. To LX Holdings Co., Ltd. according to the spin-off of LG Corp., which was the previous largest shareholder (Registered on 3 May 2021).

\*2) The number of shares and ownership ratio above are the sum of the shares owned by the largest shareholder and specially related persons at the time of the change of the largest shareholder.

### D. Distribution of Shares

This information is not included in the semi-annual report in accordance with corporate disclosure form preparation standards (to be included in the annual business report).

## VIII. Executives and Employees

### 1. Status of Executives and Employees

#### A. Status of Executives

(As of 30 June 2024)

(Unit: Shares)

Name	Sex	DOB	Position	Reg.	Regular	Responsibilities	Key Experience	Shares owned		Relation to major shareholder	Service period	Term expiry
								Voting Shares	Non-Voting Shares			
Lee Yun-Tae	M	07.1960	CEO	Int. Dir.	Reg.	CEO, board chairman, member of ESG	KAIST Electrical Engineering (PhD) CEO, Samsung Electronics Co., Ltd.	2,500	-	Reg. Exec. of affiliates (LX Semicon)	08.11.2023 ~present	20.03.2027
Kim Hun	M	05.1969	MD	Int. Dir.	Reg.	CFO, internal accounting manager	(BA) Business Administration, Korea Uni. Indonesia Business Management manager, LX International Co., Ltd.	-	-	Reg. Exec. of affiliates (LX Semicon)	15.11.2022 ~present	22.03.2026
Roh Jin-Seo	M	09.1968	Dir.	ONED	Non-Reg.	Business for overall management	MA in MT Strategy division, LG Electronics Co., Ltd.	-	-	Reg. Exec. of the largest shareholder (LX Holdings)	18.03.2021 ~present	20.03.2027
Wi Kyung-Woo	M	07.1962	Dir.	Ext. Dir.	Non-Reg.	Business for overall management Chairman of the Audit Committee, Chairman of ESG committee	PhD. Business Administration, UCLA Prof. of Business Administration, SMWU	-	-	N/A	15.03.2019 ~present	22.03.2025
Jung Seong-Wook	M	1965.06	Dir.	Ext. Dir.	Non-Reg.	Business for overall management Audit Committee member, ESG member	PhD in Dept. Electronic Engineering, Illinois Univ. (Urbana Champaign) Prof. of Dept. Electrical and Electronic Engineering, Yonsei Uni.	-	-	N/A	23.03.2023 ~present	22.03.2026
Han Sang-Beom	M	06.1955	Dir.	Ext. Dir.	Non-Reg.	Business for overall management	PhD in Materials Engineering, Stevens Institute of Technology Vice Chairman & CEO, LG Display Co., Ltd.	-	-	N/A	21.03.2024 ~present	20.03.2027
Kim Nam-Soo	M		Dir.	Ext. Dir.	Non-Reg.	Business for overall management Chairman of the Audit Committee, Chairman of ESG committee	PhD in Electrical and Electronics Engineering, KAIST Professor, Department of Electrical and Computer Engineering, Seoul National University	-	-	N/A	21.03.2024 ~present	20.03.2027
Koo Bon-Joon	M	12.1951	CEO	Unreg. Dir.	Reg.	Business for overall management	MA in Business Administrative, Uni. of Chicago Vice chairman of LG Corp.	-	-	Reg. Exec. of the largest shareholder (LX Holdings)	11.05.2021 ~present	-
Ko Dae-Hyup	M	09.1965	ED	Unreg. Dir.	Reg.	R&D	ME in Electronic Engineering, Seoul National University Head of DTV SoC Development Division, SIC Center, LG Electronics Co., Ltd.	-	-	Unreg. Exec. affiliates (LX Semicon)	01.07.2015 ~present	-
Na Jun-Ho	M	09.1968	ED	Unreg. Dir.	Reg.	Overall responsibility for product planning and R&D	Inha University, Department of Electronic Engineering (MA) Memory Research Center, LG Semiconductor	20,636	-	Unreg. Exec. affiliates (LX Semicon)	19.01.2001 ~present	-
Na Young-Sun	M	05.1971	MD	Unreg. Dir.	Reg.	Overall responsibility for product planning and R&D	(PhD) Electrical and Computer Engineering, Hanyang Uni. SIC Center DIC Business Team, LG Electronics Co., Ltd.	-	-	Unreg. Exec. affiliates (LX Semicon)	01.07.2015 ~present	-
Cho Jang-Ho	M	04.1969	MD	Unreg. Dir.	Reg.	In charge of Product Planning	MA in Electrical Engineering, KAIST Samsung Electronics Co., Ltd., System LSI Strategic Marketing Division			Unreg. Exec. affiliates (LX Semicon)		-
Han Young-Soo	M	09.1971	MD	Unreg. Dir.	Reg.	Overall responsibility for product planning and R&D	PhD in Dept. of Electrical Engineering, KAIST Managing Director, Planning Team, LG Co., Ltd.	-	-	Unreg. Exec. affiliates (LX Semicon)	01.01.2021 ~present	-
Kim Eon Young	M	05.1968	Dir.	Unreg. Dir.	Reg.	Head of production management group	(BS) Electronic Engineering, KIT Display Team, LG Semiconductor	-	-	Unreg. Exec. affiliates (LX Semicon)	15.11.1999 ~present	-
Park Jeong-Hyun	M	01.1972	Dir.	Unreg. Dir.	Reg.	R&D	MA in Semiconductor Engineering, KNU In charge of Production Technology, LX Semicon Co., Ltd.			Unreg. Exec. affiliates (LX Semicon)		
Sagong Yeongjae	M	01.1969	Dir.	Unreg. Dir.	Reg.	SCM manager.	MA in MBA, Aalto Univ SOC production and operation team, SIC center, LG Electronics Co., Ltd.	-	-	Unreg. Exec. affiliates (LX Semicon)	20.02.2018 ~present	-
Lee Min-Ho	M	02.1973	Dir.	Unreg. Dir.	Reg.	Overall responsibility for product planning and R&D	MS in Electronic Engineering, Hanyang Univ. LSI Team, SIC Center, LG Electronics Inc.	-	-	Unreg. Exec. affiliates (LX Semicon)	17.04.2017 ~present	
Lee Ji-Won	F	11.1976	Dir.	Unreg. Dir.	Reg.	R&D	PhD in Electronic Engineering, Sogang Univ. Intelligent SoC Development Office, SIC Center, LG Electronics Inc.	-	-	Unreg. Exec. affiliates (LX Semicon)	12.08.2019 ~present	
Jeon	M	02.1971	Dir.	Unreg.	Reg.	Under Research	PhD in Electrical and Electronic	-	-	Unreg. Exec. affiliates (LX)	01.09	

Hyun-Gyu				Dir.		Center	Engineering, KAIST Electronics and Telecommunications Research Institute (ETRI)			Semicon)	2003 ~present	
Jang Yong-Ik	M	02.1975	Dir.	Unreg. Dir.	Reg.	R&D	MS in Electronic Engineering, Korea Univ. Display Solution Division, MagnaChip Semiconductor LLC	-	-	Unreg. Exec. affiliates (LX Semicon)	01.06 2006 ~present	
Hwang Kyung-Ha	M	06.1971	Dir.	Unreg. Dir.	Reg.	Business management	BA in Business Administration, Sogang Univ. Transfer Pricing Team, LG Electronics Inc.	-	-	Unreg. Exec. affiliates (LX Semicon)	02.03 2017 ~present	
Kim Hyun-Ho	M	09.1976	Dir.	Unreg. Dir.	Reg.	R&D	MS in Electrical and Electronic Engineering, SNU SIC Center, LG Electronics Inc.	-	-	Unreg. Exec. affiliates (LX Semicon)	01.07. 2015 ~present	

\*1) For non-registered executives (Na Jun-Ho, Jeon Hyun-Gyu), the allocated shares include those granted under the Employee Stock Ownership Plan (free shares).

\*2) Kim Hun, an internal director, concurrently holds a directorship at Advanced Power Device Technology Co., Ltd.

\*3) Jeon Hyun-Gyu, a director, concurrently holds a directorship at Advanced Power Device Technology Co., Ltd.

\*4) Wi Kyung-Woo, an external director, concurrently holds a directorship at Mirae Asset Life Insurance Co., Ltd.

\*5) Lee Yun-Tae, the representative director, was newly appointed as an internal director on 21 March 2024.

\*6) Noh Jin-Seo was reappointed as a non-executive director on 21 March 2024.

\*7) Han Sang-Beom was newly appointed as an external director on 21 March 2024.

\*8) Kim Nam-Soo was newly appointed as an external director on 21 March 2024.

\*9) Cho Jang-Ho was newly appointed as an executive director on 1 February 2024.

\*10) Park Jeong-Hyun was newly appointed as a director on 1 January 2024.

\*11) Shin Young-Soo's term as an external director expired on 17 March 2024.

\*12) Son Bo-Ik, the president, retired on 30 June 2024.

\*13) Park Byung-Hoo, an executive director, retired on 30 June 2024.

\*14) Jang Jae-Ryang, a director, retired on 30 June 2024.

\*15) Woo Young-Jin, an executive director, retired on 30 June 2024.

### [Current Status of Executives Holding Concurrent Positions]

Name	Position	Concurrent positions	(Non) Regular
Roh Jin-Seo	Other non-executive director	CEO, LX Holdings Co., Ltd.	Regular
		Other non-executive director, LX Hausys Co., Ltd.	Non-regular
		Other non-executive director, LX MMA Co., Ltd.	Non-regular
		Other non-executive director, LX MDI Co., Ltd.	Non-regular
		Other non-executive director, LX Ventures Co., Ltd.	Non-regular
		Other non-executive director, LX Glass Co., Ltd.	Non-regular

### B. Status of Employees, etc.

(As of 30 June 2024)

(Unit: KRW Billion)

Employees										Non-affiliated worker			Remarks
Business sector	Sex	No. of employees					Average service years	Total annual salary	Average salary per person	Male	Female	Total	
		Employees without defined term		Term based employees		Total							
		Total	(Short term employees)	Total	(Short term employees)								
Total	Male	1,188	-	40	13	1,228	5.64	53,020	43	-	-	-	-
Total	Female	263	-	15	10	278	4.23	8,598	31	-	-	-	-
Total		1,451	0	55	23	1,506	5.38	61,618	41	-	-	-	-

**[Status of remuneration for non-registered executives]**

(As of 30 June 2024)

(Unit: KRW Million)

Category	No. of persons	Total annual salary	Average salary per person	Remarks
Unregistered director	16	2,792	175	-

**2. Executives Remuneration**

**A. Remuneration for All Directors and Auditors**

<Remuneration to All Directors and Auditors>

**(1) Amount Approved by Shareholders' Meeting**

(Unit: Million KRW)

Category	No. of persons	Amount approved by shareholders' meeting	Remarks
Registered director (excluding external directors, audit committee members, or auditors)	3	-	The amount approved at the general meeting of shareholders is based on the sum of registered executives.
External director (excluding audit committee members or auditors)	1	-	The amount approved at the general meeting of shareholders is based on the sum of registered executives.
Audit committee member or auditor	3	-	The amount approved at the general meeting of shareholders is based on the sum of registered executives.
Total	7	5,000	-

\*) In accordance with Article 38 of the Articles of Incorporation, the Company pays remuneration for directors in accordance with the 「Executives Retirement Allowance Payment Regulations」 passed a resolution at the general meeting of shareholders. Therefore, severance pay is not included in the remuneration limit approved by the general meeting of shareholders.

**(2) Amount of Remuneration**

All Directors and Auditors

(Unit: Million KRW)

No. of persons	Total amount	Average per capita remuneration	Remarks
6	839	140	-

\*) Other non-executive directors (Roh Jin-Seo) have been excluded from the number of executives as of the reporting date.

\*2) The total amount of remunerations is based on the income on the Income Tax Act, which has been paid under the qualification of the registered executive by the serving or resigned registered directors, external directors and members of the Audit Committee pursuant to the provisions of Article 159 of the Capital Market and Financial Investment Services Act and Article 168 of the Enforcement Decree of the same Act. It was calculated by including the amount of remuneration for newly appointed or retired directors when they served as unregistered executives during the relevant fiscal year.

[Types]

(Unit: Million KRW)

Category	No. of persons	Total amount	Average per capita remuneration	Remarks
Registered director (excluding external directors, audit committee members, or auditors)	2	701	351	-
External director (excluding audit committee members or auditors)	1	24	24	-
Audit committee member or auditor	3	114	38	-
Audit	-	-	-	-

- \*1) Other non-executive directors (Roh Jin-Seo) have been excluded from the number of executives as of the reporting date.
- \*2) The total amount of remunerations is based on the income on the Income Tax Act, which has been paid under the qualification of the registered executive by the serving or resigned registered directors, external directors and members of the Audit Committee pursuant to the provisions of Article 159 of the Capital Market and Financial Investment Services Act and Article 168 of the Enforcement Decree of the same Act. It was calculated by including the amount of remuneration for newly appointed or retired directors when they served as unregistered executives during the relevant fiscal year.
- \*3) The average amount paid per member of the Audit Committee was calculated by dividing the total remuneration by the number of people (3) as of the reporting date.

[Standards of Remuneration Payment]

The remuneration of directors and auditors is paid within the amount approved by the general shareholders' meeting and in accordance with the standards set by the Board of Directors, taking into account their positions and duties.

Category	Basis	System	Evaluation items for decision making
Registered director (excluding external director and members of the Audit Committee)	Personnel management regulations for executive officers	Base salary, role pay, executive performance payment	- Base salary: Comprehensively considering inflation rate, external competitiveness, financial performance, etc. - Role pay: Comprehensively considering the importance of positions/duties and roles - Executive performance payment: Business and personal performance
External director (excluding members of the Audit Committee)	Standards for payment of compensation to external directors	Fixed monthly payment	- the remuneration of external directors is executed in accordance with the standards set by the Board of Directors, comprehensively considering the company's management performance and external competitiveness, within the limits approved by the general meeting of shareholders.
Members of the Audit Committee	Standards for payment of compensation to external directors	Fixed monthly payment	- the remuneration of external directors is executed in accordance with the standards set by the Board of Directors, comprehensively considering the company's management performance and external competitiveness, within the limits approved by the general meeting of shareholders.

**B. Individual Remuneration for Directors and Auditors**

<Individual remuneration of directors and auditors who paid 500 Million KRW or more>

(1) Individual Remuneration Amount

(Unit: Million KRW)

Name	Position	Total amount	Remuneration not included in the total remuneration
Lee Yun-Tae	Representative director	521	-

**(2) Calculation Standard and Method**

(Unit: Million KRW)

Name	Type		Total amount	Calculation standard and method
Son Bo- Ik	Earned income	Salaries	517	1. Basic salary - determined by considering the position, etc. in accordance with the executive remuneration regulations determined by the board of directors. - paid about 63.9 Million KRW from January to March and about 65.8 Million KRW from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - paid about 25.6 Million KRW from January to March and about 26.3 Million KRW from April to December.
		Bonuses	-	Not applicable
		Stock Option exercising profit	-	Not applicable
		Other earned income	4	Paid as welfare benefits, etc. by internal regulations
	Retirement income	-	Not applicable	
	Other income	-	Not applicable	

**C. Remuneration Status of the Top 5 Individuals Among the Remuneration Payments of 500 Million or More**

<Remuneration status of the top 5 individuals among the remuneration payments of 500 million or more>

**(1) Individual Remuneration Amount**

(Unit: Million KRW)

Name	Position	Total amount	Remuneration not included in the total remuneration
Lee Yun-Tae	Representative director	521	-
Koo Bon-Joon	CEO	576	-

**(2) Calculation Standard and Method**

(Unit: Million KRW)

Name	Type		Total amount	Calculation standard and method
Lee Yun- Tae	Earned income	Salaries	517	1. Basic salary - Determined by considering the position, etc. in accordance with the executive remuneration regulations determined by the board of directors. - Paid about 65.8 Million KRW from January to March and about 67.8 Million KRW from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - Paid about 11.7 Million KRW from January to March and about 27.1 Million KRW from April to December.
		Bonuses	-	Not applicable
		Stock Option exercising profit	-	Not applicable
		Other earned income	4	Paid as welfare benefits, etc. by internal regulations
	Retirement income	-	Not applicable	
	Other income	-	Not applicable	
Koo Bon-Joon	Earned income	Salaries	576	1. Basic salary - Determined by considering the position, etc. in accordance with the executive remuneration regulations determined by the board of directors. - paid about 94.6 Million KRW from January to March and about 97.5 Million KRW from April to December.
		Bonuses	-	Not applicable

	Stock Option exercising profit	-	Not applicable
	Other earned income	-	Not applicable
	Retirement income	-	Not applicable
	Other income	-	Not applicable

## IX. Affiliates

### 1. Corporate Group and Affiliates

#### A. Affiliates (Summary)

- Name of Corporate Group: LX

- Affiliated Company Name: LX Semicon Co., Ltd. (Corporate Registration Number: 160111-0089395)

The LX Group was designated as a mutual investment-restricted corporate group under the Monopoly Regulation and Fair Trade Act. As of the 30 June 2024, the group consists of a total of 17 domestic affiliates (4 listed companies and 13 unlisted companies).

(As of 30 June 2024)

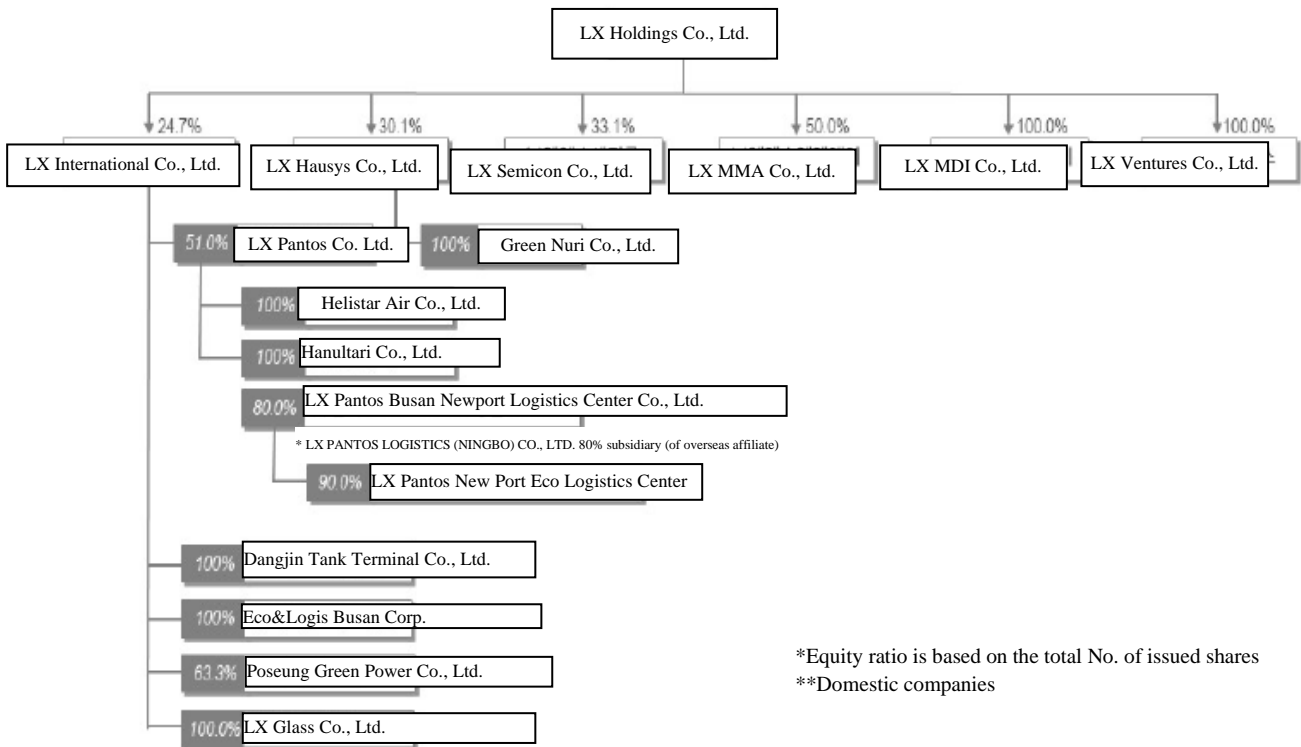
(Unit: Companies)

Name of corporate group	No. of affiliates		
	Listed	Unlisted	Total
LX	4	13	17

※ Refer to Detailed Table - 2. Status of Affiliates (Summary).

#### B. Diagram to Identify the Control, Dependence and Investment Among Subsidiaries

(As of 30 June 2024)



## 2. Affiliates Directly or Indirectly Influencing Management

Company name	Details
LX Holdings Co., Ltd.	Holding company

## 3. Concurrent Positions Between the Company and Affiliates

[As of 30 June 2024]

Name	Position	Status of additional positions		
		Name of concurrent company	Position	(Non) Regular
Roh Jin-Seo	Other non-executive director	LX Holdings Co., Ltd.	Representative director	Regular
		LX Hausys Co., Ltd.	Other non-executive director	Non-regular
		LX MMA Co., Ltd.	Other non-executive director	Non-regular
		LX MDI Co., Ltd.	Other non-executive director	Non-regular
		LX Ventures Co., Ltd.	Other non-executive director	Non-regular
		LX Glass Co., Ltd.	Other non-executive director	Non-regular

## 4. Status of Investment in Other Companies (Summary)

(As of 30 June 2024)

(Unit: KRW Million)

Purpose of investment	No. of investment company			Total investment amount			
	Listed	Unlisted	Total	Book value as of 1 January	Increase(decrease)		Book value as of 30 June
					Acquisition (disposition)	Assessed profit or loss	
Management participation	1	7	8	44,434	717	-	45,151
General investment	-	-	-	2,800	-	-	2,800
Simple investment	-	1	1	-	-	-	-
Total	1	8	9	47,234	717	-	47,951

※ Refer to Detailed Table - 3. Concurrent Positions Between the Company and Affiliates

## **X. Transactions with Large Shareholders**

### **A. Credit offerings to major shareholders, etc.**

The Company has no applicable matters as of the report preparation date.

### **B. Asset transfers with major shareholders**

The Company has no applicable matters as of the report preparation date.

### **C. Business transactions with major shareholders**

The Company has no applicable matters as of the report preparation date.

### **D. Transactions with stakeholders other than major shareholders**

For detailed information, please refer to III. Finances, 5. Notes to the Consolidated Financial Statements, 27. Related Parties.

## XI. Other Matters Necessary for the Protection of Investors

### 1. Progress and Changes of Disclosure

There are no applicable matters as of the report preparation date.

### 2. Contingent Liabilities

#### A. Important Litigations

As of the report preparation date, the Company believes that there are no lawsuits that have the potential to have a significant impact on the company's operations in which the company or its subsidiaries become a party to litigation or lawsuits are filed against the assets of the Company or its subsidiaries.

#### B. Promissory Note, Notes and Checks as Collateral

(As of 30 June 2024)

(Unit: Count, KRW million)

Submitted to	Count	Amount	Remarks
Banks	-	-	-
Financial institution (excluding banks)	-	-	-
Corporations	-	-	-
Others (Individuals)	-	-	-

#### C. Status of Debt Guarantee

There are no applicable matters as of the report preparation date.

#### D. Other Contingent Liabilities, etc.

There are no applicable matters as of the report preparation date.

### **3. Sanctions, etc.**

#### **A. Status of sanctions**

During the reporting period, neither the Company nor any of its employees have been criminally prosecuted or subjected to administrative actions for violating domestic or international financial and tax-related laws, including the Commercial Act, the Financial Investment Services and Capital Markets Act (Capital Market Act), the Act on External Audit of Stock Companies (External Audit Act), and the Monopoly Regulation and Fair Trade Act (Fair Trade Act).

#### **B. Sanctions from the Korea exchange, etc.**

There have been no sanctions from the Korea Exchange or the Korea Financial Investment Association as of the report preparation date.

#### **C. Occurrence and Return of Profits from Short-Term Trading**

There are no applicable matters as of the report preparation date.

### **4. Post-Reporting Date Events and Other Matters**

#### **A. Major events occurring after the preparation date**

There are no applicable matters as of the report preparation date.

#### **B. Post-information on mergers, etc.**

There are no applicable matters as of the report preparation date.

### C. Status of subsidiaries of foreign holding companies

There are no applicable matters as of the report preparation date.

(As of 30 June 2024)

(Unit: KRW Million)

Category	Holding Company A	Corporation B	Corporation C	Corporation D	...	Consolidation Adjustments	Post-Consolidation Amount
Sales	-	-	-	-	-	(-)	-
Internal Sales	(-)	(-)	(-)	(-)	(-)	-	-
Net Sales	-	-	-	-	-	-	-
Operating Profit	-	-	-	-	-	(-)	-
Profit from Continuing Operations	-	-	-	-	-	(-)	-
Net Income	-	-	-	-	-	(-)	-
Total Assets	-	-	-	-	-	(-)	-
Cash and Cash Equivalents	-	-	-	-	-	-	-
Current Assets	-	-	-	-	-	-	-
Short-term Financial Instruments	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	(-)	-
Equity	-	-	-	-	-	(-)	-
Capital Stock	-	-	-	-	-	(-)	-
Auditor	-	-	-	-	-	-	-
Audit/Review Opinion	-	-	-	-	-	-	-
Remarks	-	-	-	-	-	-	-

### D. Green Management

The Company is not classified as a management entity under Article 42, Paragraph 6 of the Framework Act on Low Carbon, Green Growth.

## XII. Detailed Tables

### 1. Consolidated Subsidiaries (Details)

(Unit: KRW Million)

Business name	Established on	Address	Main businesses	Total asset as of 31 December	Basis of controlling relationship	Status as a major subsidiary
LX Semicon U.S.A., Inc	10. 2012	2952 BUNKER HILL LN #101 SANTA CLARA, CA 95054	Sales support, etc.	1,287	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	N/A
LX Semicon China Co., Ltd.	03. 2017	Room 609 Zhongchen Building No.1 Lizezhong 2Road, Wangjing Chaoyangqu, Beijing, 100102, China	Sales support, etc.	8,074	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	N/A
LX Semicon Japan Co., Ltd.	09. 2021	Otemachi First Square East Tower 11F, 1-5-1 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan	Sales support, etc.	3,032	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	N/A
LX Semicon Taiwan Co., Ltd.	05.2024	3F, No.16, Lane 606, Mingshui Rd, Zhongshan District, Taipei City, Taiwan	Sales support, etc.	-	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	

### 2. Status of Affiliates (Summary)

Seventeen companies, including LX Holdings Co., Ltd., LX International Co., Ltd., LX Semicon Co., Ltd., and LX Hausys Co., Ltd., were designated as a conglomerate subject to restrictions on cross-shareholding under the Monopoly Regulation and Fair Trade Act as of 30 June 2024.

#### ① Domestic Corporations

(As of 30 June 2024)

(Unit: Companies)

Listed or not	No. of Companies	Company name	Business Reg. No.
Listed	4	LX Holdings Co., Ltd.	110111-7875359
		LX International Co., Ltd.	110111-0004632
		LX Hausys Co., Ltd.	110111-4071207
		LX Semicon Co., Ltd.	160111-0089395
Unlisted	13	LX MMA Co., Ltd.	206211-0001805
		LX Pantos Co., Ltd.	110111-0208127
		LX Pantos Busan Newport Logistics Center Co., Ltd.	180111-0641133
		Helistar Air Co., Ltd.	120111-0528086
		Dangjin Tank Terminal Co., Ltd.	165011-0011709
		Eco&Logis Busan Corp.	180111-1424877
		Poseung Green Power Co., Ltd.	131311-0143077
		Greennuri Co., Ltd.	230111-0286144
		Hanultari Co., Ltd.	110111-6628337
		LX MDI Co., Ltd.	110111-8490932
		LX Glass Co., Ltd.	110111-7324116
		LX Ventures Co., Ltd.	110111-8680814
		LX Pantos Shinhang Eco Logistics Center Co., Ltd.	194211-0380600

② Overseas Corporations

No.	Name of Affiliate	Country of Incorporation
1	LX Hausys America, Inc.	USA
2	LX Hausys Europe GmbH	Germany
3	LX Hausys India Private Limited	India
4	LX Hausys RUS, LLC.	Russia
5	LX Hausys Tianjin Co., Ltd.	China
6	LX Hausys (Wuxi) Co., Ltd.	China
7	LX Hausys Canada, Inc.	Canada
8	LX Hausys Mexico., Ltd.	Mexico
9	LX PANTOS LOGISTICS (BEIJING) CO., LTD.	China
10	LX PANTOS SOLUTIONS INDIA PVT. LTD.	India
11	LX PANTOS EGYPT, S.A.E.	Egypt
12	LX PANTOS LOGISTICS (QINGDAO) CO., LTD.	China
13	LX PANTOS LOGISTICS (SHANGHAI) CO., LTD.	China
14	LX PANTOS LOGISTICS (HONGKONG) CO., LTD.	China
15	LX PANTOS LOGISTICS TAIWAN CO., LTD.	대만
16	PT. LX PANTOS INDONESIA	Indonesia
17	PT. LX PANTOS JAKARTA	Indonesia
18	LX PANTOS MALAYSIA SDN. BHD.	Malaysia
19	LX PANTOS INDIA PVT. LTD.	India
20	LX PANTOS (CAMBODIA) CO., LTD.	Cambodia
21	LX PANTOS AUSTRALIA PTY LTD.	Australia
22	LX PANTOS HOLDINGS (THAILAND) CO., LTD.	Taiwan
23	LX PANTOS U.K. LTD.	UK
24	LX PANTOS NETHERLANDS B.V.	Netherlands
25	LX PANTOS FRANCE S.A.R.L.	France
26	LX PANTOS POLAND SP. Z O. O.	Poland
27	LX PANTOS GERMANY GMBH	Germany
28	LX PANTOS SPAIN, SLU	Spain
29	LX PANTOS TURKEY LOJISTIK VE TICARET LTD. STI.	Turkye
30	LX PANTOS MEXICO S.A. DE C.V.	Mexico
31	LX PANTOS LOGISTICA DO BRASIL LTDA.	Brazil
32	LX PANTOS COLOMBIA S.A.S	Columbia
33	LX PANTOS CHILE SPA	Chile
34	LX PANTOS PANAMA, S.A	Panama
35	LX PANTOS RUS LLC	Russia

36	PANTOS LOGISTICS KAZAKHSTAN LTD.	Kazakhstan
37	PANTOS LOGISTICS UKRAINE LTD.	Ukraine
38	PANTOS LOGISTICS L.L.C. (DUBAI)	UAE
39	LX PANTOS ARABIA CO., LTD.	Saudi Arabia
40	LX PANTOS JAPAN INC.	Japan
41	LX PANTOS AMERICA, INC.	USA
42	LX PANTOS SOLUCOES LOGISTICAS DO BRASIL LTDA.	Brazil
43	LX PANTOS SWEDEN AB.	Sweden
44	LX PANTOS HUNGARY KFT.	Hungary
45	PT. Global Investment Institusi	Indonesia
46	Korea Carbon International Co., Ltd.	China
47	LX International Yakutsk	Russia
48	LX International(America) Inc.	USA
49	Bowen Investment(Australia) Pty Ltd	Australia
50	LX International (Shanghai) Corp.	China
51	LX International(Deutschland) GmbH.	Germany
52	LX International (HK) Ltd.	China
53	LX International Japan Ltd.	Japan
54	LX_International(Singapore) Pte. Ltd.	Singapore
55	Philco Resources Ltd.	Malaysia
56	PT. Batubara Global Energy	Indonesia
57	PT. Green Global Lestari	Indonesia
58	PT.LX International Indonesia	Indonesia
59	Resources Investment (H.K) Limited	China
60	Steel Flower Electric Machinery (Tianjin) Co., Ltd.	China
61	Colmineral S.A. de C.V	Mexico
62	PT. Ganda Alam Makmur	Indonesia
63	LX International India Private Limited	India
64	Fertilizer Resources Investment Limited	China
65	PT. Binsar Natorang Energi	Indonesia
66	Haiphong Steel Flower Electrical & Machinery Company Limited	Vietnam
67	LX Semicon U.S.A., Inc	USA
68	LX Semicon China Co., Ltd.	China
69	LX Semicon Japan Co., Ltd.	Japan
70	LX Semicon Taiwan Co., Ltd.	Taiwan
71	PT. Tintin Boyok Sawit Makmur Dua	Indonesia
72	PT. PANTOS EXPRESS INDONESIA	Indonesia

73	LX PANTOS SINGAPORE PTE. LTD.	Singapore
74	LX PANTOS VIETNAM CO., LTD.	Vietnam
75	LX PANTOS PHILIPPINES, INC.	Philippines
76	PT. Parna Agromas	Indonesia
77	PT. Grand Utama Mandiri	Indonesia
78	PT. Tintin Boyok Sawit Makmur	Indonesia
79	PT. Green Global Utama	Indonesia
80	PT. Satu Gen Indonesia	Indonesia
81	PT. Energy Metal Indonesia	Indonesia
82	PT. Mega Global Energy	Indonesia
83	PT. Mega Prima Persada	Indonesia
84	KM Resources Inc.	Malaysia
85	LX PANTOS LOGISTICS (NINGBO) CO., LTD.	China
86	LX PANTOS LOGISTICS (SHENZHEN) CO., LTD.	China
87	LX PANTOS ARGENTINA S.A.	Argentina
88	LX PANTOS (THAILAND) CO., LTD.	Thailand
89	LHC Solar. LLC	USA
90	LPIC TN LLC	USA
91	PT. SLX Global Healthcare	Indonesia
92	Ordos Lezheng Trading Limited	China
93	BOXLINKS LLC	USA
94	PT. Kinarya Prima Utama	Indonesia
95	PT Energy Battery Indonesia	Indonesia
96	PT Adhi Kartiko Pratama	Indonesia
97	PT. Terum Konawe Utara	Indonesia

### 3. Status of Investment in Other Corporations (Details)

(As of 30 June 2024)

(Unit: KRW Million, thousand Shares, %)

Company name	Listed (Y/N)	Initial acquisition date	Purpose of investment	Initial acquisition amount	Balance as of 1 January			Increase(decrease)			Balance as of 30 June			Financial status for the most recent fiscal year	
					Qty.	Ratio	Book value	Acquisition (disposition)		Valuation Profit and loss	Qty.	Ratio	Book value	Total assets	Net Income
								Qty.	Amount						
LX Semicon U.S.A., Inc	N	15.10.2012	Management participation	555	2,000	100.00	137	-	-	-	2,000	100.00	137	1,287	284
LX Semicon China Co., Ltd.	N	03.03.2017	Management participation	674	-	100.00	2,179	-	-	-	-	100.00	2,179	8,074	1,210
LX Semicon Japan Co., Ltd.	N	03.09.2021	Management participation	317	60	100.00	1,215	-	-	-	60	100.00	1,215	3,032	349
LX Semicon Taiwan Co., Ltd.	N	21.05.2024	Management participation	717	-	-	-	1,700	717	-	1,700	100.00	717	100.00	100.00
Advanced Power Device Technology Co., Ltd.	N	12.03.2018	Management participation	4,410	176	49.00	4,410	-	-	-	176	49.00	4,410	9,923	480

LX Semicon Japan Co., Ltd.	N	03.09.2021	Management participation	317	60	100.00	1,215	-	-	-	60	100.00	1,215	3,032	349
FJ Composite Materials Co., Ltd.	N	25.11.2021	Management participation	6,836	85	28.70	9,723	-	-	-	85	28.70	9,723	23,236	-124
Telechips Inc.	Y	09.06.2022	Management participation	26,770	1,515	10.26	26,770	-	-	-	1,515	10.26	26,770	374,791	62,638
LX Ventures New Technology Business Investment Fund No. 1	N	23.10.2023	General investment	2,800	2,800,000	23.33	2,800	-	-	-	2,800,000	23.33	2,800	11,981	-88
Daedeok Investment Co., Ltd.	N	20.05.2011	Simple investment	500	100	6.80	-	-	-	-	100	6.80	0	3,303	-501
Total					2,803,936	-	47,234	1,700	717	-	2,805,636	-	47,951	434,865	64,866

\*1) LX Semicon U.S.A., Inc., LX Semicon China Co., Ltd., and LX Semicon Japan Co., Ltd. are December fiscal year-end companies, and their total assets and net income for the most recent fiscal year are as of 31 December 2023.

\*2) Advanced Power Device Technology Co., Ltd. is a March fiscal year-end company, and its total assets and net income for the most recent fiscal year are as of 31 March 2024.

\*3) FJ Composite Materials Co., Ltd. is a May fiscal year-end company, and its total assets and net income for the most recent fiscal year are as of 31 May 2023.

\*4) Telechips Inc. is a December fiscal year-end company, and its total assets and net income for the most recent fiscal year are as of 31 December 2023. The shareholding ratio represents the effective ownership interest, calculated by dividing the number of owned shares by the total circulating shares.

\*5) LX Ventures New Technology Business Investment Fund No. 1 is a December fiscal year-end company, and its total assets and net income for the most recent fiscal year are as of 31 December 2023.

\*6) LX Semicon Taiwan Co., Ltd. was newly established in May 2024 as a December fiscal year-end company, and the total assets and net income for the most recent fiscal year are omitted.

\*7) Daedeok Investment Co., Ltd. is a December fiscal year-end company, and its total assets and net income for the most recent fiscal year are as of 31 December 2023.

## **【Confirmation by Expert】**

### **1. Confirmation by Expert**

There are no applicable matters as of the report preparation date.

### **2. Interests with Expert**

There are no applicable matters as of the report preparation date.