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Business Report

(The 26th Fiscal Year)
From 01 January 2024 to 31 December 2024

To: The Financial Services Commission		
Korea Exchange		12 March 2025
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) https://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 confirm 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.

13 March 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	Number of consolidated companies				Number of major subsidiaries
	1 January	Increase	Decrease	31 December	
Listed	-	-	-	-	-
Unlisted	3	-	-	3	-
Total	3	-	-	3	-

※ Refer to Detailed Table -1 Consolidated Subsidiaries (Detailed).

(2) Changes in consolidated companies

Category	Subsidiary	Reason
Newly consolidated	LX Semicon Taiwan Co., Ltd.	Established during 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	:	https://www.lxsemicon.com

E. Whether the Company is an SME

Whether the Company is an SME

Whether the Company is an SME		Not applicable
	Whether the Company is a venture company	Not applicable
Whether the Company is a mid-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 to 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 in 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, 1299 Dunsan-dong, Seo gu, Dae jeon, 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 the general meeting of shareholders	Appointment		Expiration or dismissal
		Newly appointed	Reappointed	
26 Mar. 2020	Ordinary general meeting of shareholders	-	Representative director Son Bo-Ik, External director Yoon Il-Goo	-
18. Mar. 2021	Ordinary general meeting of shareholders	Non-executive director Roh Jin-Seo	Internal director Choi Sung-Kwan, External director Shin Yeong-Soo	Non-executive director Jeong Yeon-Chae
22 Mar. 2002	Ordinary general meeting of shareholders	-	External director Wi Kyung-Woo	-
23. Mar. 2023	Ordinary general meeting of shareholders	Internal director Kim Hun, External director Jung Seong-Wook	Representative director Son Bo-Ik	External director Yoon Il-Goo
21 Mar. 2024	Ordinary general meeting of shareholders	Representative director Lee Yun-Tae	Other non-executive director Roh Jin-Seo	External director Shin Young-Soo

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

C. Changes of 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 2. Major shareholder's background and career of VII. Shareholders.

D. Change of company name

Date of change	Before change	Before change	After 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 and its connected subsidiaries

(1) LX Semicon

Date	Major contents
May 2021	Changed the largest shareholder (LG Corp. → LX Holdings Co., Ltd.)
June 2021	Changed the 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 Gender Equality and Family)
January 2023	Certified as Excellent Export/Import Safety Management Company (AEO) (Korea Customs Service)
March 2024	Change of CEO (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	Establishment of legal entity (Paid in 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	Business relocation (address change)

(5) LX Semicon Taiwan Co., Ltd.

Date	Major contents
May 2024	Incorporation (Paid in capital TWD 17,000,000)

3. Changes in Capital

The Company has not changed its capital for the last five years.

Changes in capital

(Unit: KRW, shares)

Types	Category	31 December 2024	31 December 2023	31 December 2022
Common shares	Total issued shares	16,264,300	16,264,300	16,264,300
	Par value	500	500	500
	Capital	8,132,150,000	8,132,150,000	8,132,150,000
Preferred shares	Total issued shares	-	-	-
	Par value	-	-	-
	Capital	-	-	-
Others	Total issued shares	-	-	-
	Par value	-	-	-
	Capital	-	-	-
Total	Capital	8,132,150,000	8,132,150,000	8,132,150,000

4. Total Number of Shares

The total issued and outstanding shares are 16,264,300 common shares as of the reporting date.

A. Status of the total number of shares

(As of 31 December 2024) (Unit: shares, %)

Category		Type of shares			Remarks
		Common shares	Preferred shares	Total	
1. Total number of shares to be issued		-	-	50,000,000	-
II. Total number of shares issued so far		16,264,300	-	16,264,300	-
III. Total number 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	-
VII. Treasury stock ownership ratio		0	-	0	-

*) According to the Company's articles of incorporation, the total number of shares that can be issued is 50,000,000, of which the limit for issuing preferred shares is 7,000,000.

B. Acquisition and disposal of treasury shares

As of the reporting date, there is no relevant information.

C. Execution of conclusion and termination of treasury share trust contracts

As of the reporting date, there is no relevant information.

D. Issuance of preferred shares

As of the reporting date, there is no relevant information.

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. Mar. 2021	The 22nd ordinary general meeting of shareholders	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 Jun. 2021	The 1st extraordinary general meeting of shareholders	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. Mar. 2023	The 24th ordinary general meeting of shareholders	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 Mar. 2024	The 25th ordinary general meeting of	Amending so that shareholders entitled to receive dividends are determined after the dividend amount has been finalized.	Introducing measures to improve the dividend procedure in line with global

	shareholders		standards

B. Status of business purpose

(1) Status

The business purposes specified in the articles of incorporation are as follows as of the reporting date.

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 Jun. 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 Jun. 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 Jun. 2021	3. Design and manufacturing of LCD	-
Amended	25 Jun. 2021	6. Real estate leasing business	5. Real estate sales and leasing
Amended	25 Jun. 2021	7. All businesses incidental to the above items	6. All businesses and investments incidental to the above items

[Reason for change]

① Reason, purpose and necessity for the change

The Company has detailed and clarified the business purposes in the articles of incorporation, such as semiconductors, design services, and manufacturing, in order to concretize the objectives of the current business and proactively prepare for the entry into new business areas in the future.

② Proponent of the business purpose change

The change to the business purpose was carried out following a proposal from the fourth Board of Directors meeting in 2021 (11 May 2021).

③ Impact of the business purpose change on the company's main business, etc.

Business purpose 1. Design, manufacturing, design services, sales, maintenance and related additional services for semiconductors, semiconductor manufacturing equipment, and application parts.
As a system semiconductor company that mainly engages in the design, manufacture, and sales of key components that drive display panels, this change aims to enhance the business purpose of existing operations and proactively respond to potential new business opportunities.

Business purpose 2. Design, manufacturing, design services, sales, maintenance, and related additional services for electronic, electrical, display, and mechanical equipment-related materials, parts, modules, and accessories.

With the changing market trends from LCD to OLED and the transformation of the display industry, this change aims to proactively respond to these shifts.

Business purpose 5. Real estate sales and leasing

By adding real estate sales as a business purpose, the company intends to proactively prepare for future main business expansions.

Business purpose 6. All businesses and investments incidental to the above items

By adding investment as a business purpose, this change aims to proactively prepare for future main business expansions.

(3) Addition of Business Objectives

As of the reporting date, there is no relevant information.

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.

The Company is experiencing growth primarily through products such as Driver-ICs, Timing Controllers (T-Con), and Power Management Integrated Circuits (PMIC), and is driving business diversification by pursuing new growth engines such as MCUs, power semiconductors, and heat dissipation substrates.

Our main products are Driver-ICs and T-Con that drive display panels, with the Driver-ICs accounting for 89.64% of the current fiscal year’s revenue (91.96% in the previous fiscal year). Exports account for 98.87% of the current fiscal year's revenue (99.4% in the previous fiscal year).

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. Major Products and Services

[As of 31 December 2024] (Unit: KRW 1 million)

Business sector	Product	Product details	Major product	2024		2023		2022	
				Sales	Ratio(%)	Sales	Ratio(%)	Sales	Ratio(%)
Semi-conductor	System IC	Panel driver IC and others	Driver - IC	16,724	89.64	17,485	91.96	18,977	89.54
			Driver - IC, etc.	1,932	10.36	1,529	8.04	2,216	10.46
Total				18,656	100.00	19,014	100.00	21,193	100.00

3. Raw Materials and Facilities

A. Major raw materials

[As of 31 December 2024] (Unit: KRW 1 million)

Raw material	Purchased amount	Major supplier
Wafer, etc.	5,643	TSMC, SK hynix system ic(Wuxi), LG Innotek Co., Ltd., etc.
Processing cost, etc.	2,557	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 facilities

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 utilizes 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 has selected companies that can stably manufacture high-quality products for outsourced operations.

4. Sales and Orders

A. Sales performance

[As of 31 December 2024] (Unit: KRW 1 million)

Business sector	Sales type	Product		2023	2022	2021
Semi-conductor	Products and others	System IC	Exports	18,446	18,909	20,901
			Domestic	212	105	292
Total			Total	18,656	19,014	21,193

B. Sales channels, methods, strategies, and major customers

(1) Sales and mass production support organizations

As of 31 December 2024, the departments of the Company are composed of TV/IA sales division (TV/IT/AUTO) and the mobile sales divisions under the Strategic Marketing 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 the clients.

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

*) Domestics 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

The Company has two clients whose revenue from a single external customer account for more than 10% of the Company's total revenue. The revenues for the current and previous fiscal years from these clients are respectively 1,073.3 billion won (1,065.7 billion won in previous period) and 554.4 billion won (525.1 billion won in previous period).

C. Order status

The display driver chips produced by the Company vary depending on the size and characteristics of the display panels. Due to the nature of the main panel companies' purchasing policies, orders for the necessary quantities are typically placed on a regular cycle of about 10 weeks, rather than through long-term contracts, and additional orders are frequently placed as needed.

5. Risk Management and Derivatives

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 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 account receivables for customers and investment assets. The Company is trading 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 at the end of the current period includes cash and cash equivalents, short-term financial instruments, trade receivables, and other receivables, totaling up to 862.4 billion won.

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.

In addition to this, to mitigate liquidity risk, the Company always maintains smooth communication with financial markets to ensure early liquidity. It is also actively exploring options such as securing additional borrowing limits from financial institutions to bolster its 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 won, 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 at the end of the current and previous period are as follows:

(Unit: KRW 1 million)

Category	31 December 2024	31 December 2023
	USD	USD
Assets in foreign currency	351,911.7	108,357.1
Liabilities in foreign currency	153,316.7	31,909.6

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

(Unit: KRW 1 million)

Category	31 December 2024	31 December 2023
	(If 5% changed)	(If 5% changed)
USD	±210.6	±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 38.9% as of 31 December 2024 and 2023.

E. Transaction of Derivatives

The Company has entered into currency forward contracts for a portion of its foreign currency trade receivables to hedge against the risk of changes in the fair value of foreign currency assets arising from exchange rate fluctuations.

As of the end of 2024, the Company has entered into currency forward contracts for its USD trade receivables for hedging purposes, and the carrying amounts of the related assets and liabilities as well as the valuation gains and losses 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	Labilities
Currency Forward	-Shinhan Bank and 1 other	USD 138	1,298.70 ~ 1,456.75	11.09.2024 ~26.12.2024	06.01.2024 ~07.04.2025	Derivative assets/liabilities	-	13,642,987,958
Total							0	13,642,987,958

② Key Details of Hedged Items

(Unit: KRW)

Category	Account	Book value	Fair value change
Currency Forward	Trade Receivables	202,807,648,817	13,642,987,958

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	(13,642,987,958)	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.

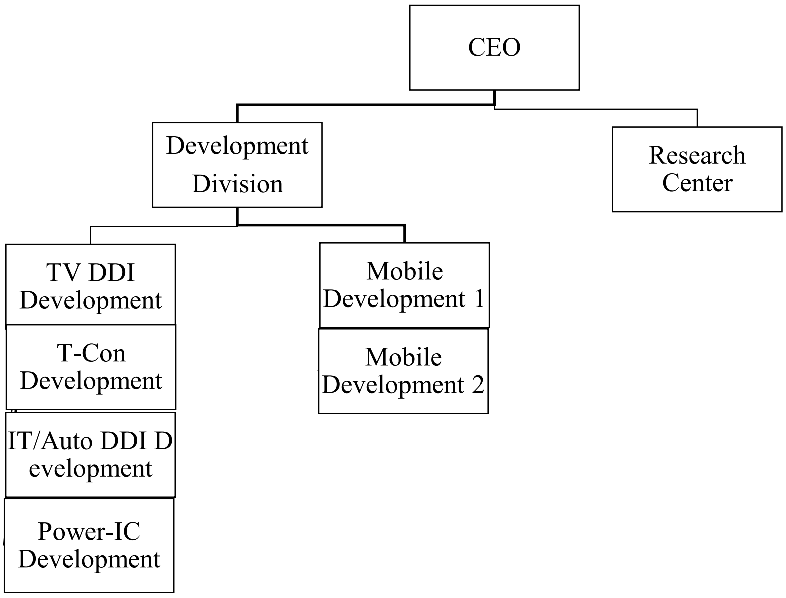
6. Major Contracts and Research

A. Major contracts in management

As of the reporting date, there is no relevant information.

B. Research and development

(1) Research and development organization



(2) Research and development expenses

(Unit: KRW 1 million)

Category		2023	2022	2021
Total R&D expenses		2,317	2,198	2,108
(Government subsidies)		-	-	-
Total R&D expenses after deducting government subsidies		2,317	2,198	2,108
Accounting	Selling and administrative expenses	2,317	2,198	2,108
	Manufacturing cost	-	-	-
	Development expenses (intangible assets)	-	-	-
R&D expenses/sales ratio [R&D expenses ÷ current sales × 100]		12.4	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 31 December 2024, the Group holds 1,378 domestic patents and 2,307 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 May 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 Sep. 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 Sep. 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 Feb. 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 Nov. 2013	Patent for in-cell touch displays, with exclusive usage rights held until December 2032	Patent Act	2 / 11 months	Commercialization stage
	23 May 2011	Patent for monitoring display drivers, with exclusive usage rights held until March 2029	Patent Act	2 / 2 years 2 months	Commercialization stage
	01 Oct. 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. Development of a video codec patent is underway, with 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, Display Driver IC (DDI), 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 DDI market, which is one of the Company's main products, gradual growth is anticipated after 2023 through the creation of new demand driven by mid- to long-term changes in panel form factors.

[DDI market size]

(Unit: USD billion)	2022	2023	2024(E)	2025(E)	2026(E)	2027(E)	2028(E)
DDI	10.3	8.8	8.7	8.7	8.8	9.0	9.0

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 OLEDs, 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	2025(E)	2026(E)	2027(E)	2028(E)
TV	261.9	241.2	242.5	243.3	243.9	245.3	246.4
Monitor	159.3	149.1	152.6	154.1	154.9	155.4	156.6
Notebook	217.2	189.1	195.3	200.9	210.3	220.8	226.6
Tablet	256.4	244.4	255.5	257.4	260.4	268.1	273.1
Auto	192.9	205.1	209.3	217.3	226.1	232.4	238.9
Large Panel Total	1,087.6	1,028.7	1,055.2	1,072.9	1,095.6	1,122.0	1,141.5
Smartphone	1,382.9	1,266.9	1,282.2	1,284.2	1,309.9	1,318.1	1,324.0
Smartwatch	214.1	223.1	220.0	229.8	237.6	244.0	248.8
VR / AR	12.8	10.7	13.8	17.1	23.9	29.5	40.3
Small Panel Total	1,609.8	1,500.8	1,516.1	1,531.1	1,571.3	1,591.6	1,613.1

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 IC required per panel as the proportion of UHD panels increases. The penetration rate of UHD TVs in 2021 is about 61% on a global average, and is expected to reach about 66% in 2023.

Additionally, the market for OLED TV Display ICs is currently small as LG Display and Samsung Display are the only manufacturers mass-producing OLED TV panels. However, Chinese panel manufacturers are making aggressive capital investments, which is expected to lead to sustained growth in the future. Unlike LCD products, driving technology and panel compensation technology are key for OLED TV Display ICs, and companies with competitive advantages in these areas are expected to lead the market.

In the IT products sector, some premium brands are enhancing their value by increasing resolution and incorporating touch panels among other new features. In addition, along with panel makers' investments in 8.6-generation OLED fabs, preparations are underway for a market transition toward OLED. Starting with Apple's launch of its first OLED tablet product in 2024, the IT OLED market is expected to continue expanding.

② Small (smart phone/smart watch) display IC

The smartphone market has entered a mature phase. The smartphone panel market size showed growth with approximately 1.4 billion units in 2022, but declined to about 1.3 billion units in 2023 and is expected to remain around 1.3 billion units through 2028. The growth in the smartphone market in developed countries is expected to be lower compared to emerging markets, which are driving the overall growth of the smartphone market.

Major global set manufacturers are actively pursuing evolution strategies in form factors to create new demand, which is expected to continually increase the share of smartphones equipped with P-OLED panels. Currently, the P-OLED market is led by domestic panel manufacturers due to the technological gap with Chinese panel manufacturers, but as Chinese companies expand their capacity, their market share in the P-OLED panel market is expected to gradually increase.

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 the 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 (Display Driver IC Market, January 2025), the Company ranks among the top three global Display Driver IC companies. 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 provide the core components of Display System Semiconductor as a total solution, but also localize the products that have been highly dependent on imports, contributing to stable parts procurement and price competitiveness of domestic downstream companies. The Company are also actively supporting customer's market by providing customized premium products through continuous technology development. The win-win strategy based on trust with forward looking companies plays a major role in the 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 of new business

The Company fostering various automotive products, such as semiconductors for automotive infotainment displays and next-generation power semiconductors, and is developing heat dissipation substrates that support high strength and high 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 semiconductor. 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.

MCUs are securing demand primarily in the domestic appliance market, with the goal of expanding into the external sales market and building a business foundation. In the automotive market, the demand for automotive semiconductors, including power semiconductors, is expected to continuously increase due to the growth of electric and autonomous vehicles. Consequently, the Company is developing a variety of automotive products, including semiconductors for automotive infotainment displays and next-generation power semiconductors.

The Company plans to build business momentum for sustainable growth through investment and cultivation of new businesses, along with the acquisition of differentiated technologies.

III. Finances

1. Summarized financial information

A. Summarized consolidated financial information

The consolidated financial statements for the 2024 fiscal year were prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS) and were reviewed by an external auditor. The consolidated financial statements for the years ended 31 December 2023 and 2022 presented for comparison were prepared in accordance with the K-IFRS.

(Unit: KRW 1 million)

Category	2024	2023	2023
	31 December 2024	31 December 2023	31 December 2023
[Current assets]	1,124,302	902,886	1,009,649
•Quick assets	912,862	566,995	527,093
•Inventories	211,440	335,891	482,556
[Non-current assets]	375,500	302,179	279,969
•Tangible assets	148,750	125,940	122,180
•Intangible assets	84,392	73,937	63,799
•Other non-current assets	142,358	102,302	93,990
Total assets	1,499,802	1,205,065	1,289,618
[Current liabilities]	351,838	207,337	324,402
[Non-current liabilities]	68,377	20,964	14,856
Total liabilities	420,215	228,301	339,258
[Capital]	8,132	8,132	8,132
[Capital surplus]	76,343	76,343	76,343
[Other capital items]	152	(1,073)	(782)
[Retained earnings]	994,960	893,362	866,667
[Non-controlling interest]	-	-	-
Total equities	1,079,587	976,764	950,360
	(01.01.2024 ~ 31.12.2024)	(01.01.2022 ~ 31.12.2022)	(01.01.2022 ~ 31.12.2022)
Sales	1,865,622	1,901,445	2,119,345
Operating profit	167,077	129,036	310,624
Net income	130,509	101,204	233,693
•Owners of the controlling company	130,509	101,204	233,693
•Non-controlling interest	-	-	-
Net earnings per share (won)	8,024	6,222	14,368
Net diluted earnings per share (won)	8,024	6,222	14,368
Number of companies included in the consolidation	4	3	3

B. Summarized financial information

The financial statements for the 2024 fiscal year were prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS) and were reviewed by an external auditor. The financial statements for the years ended 31 December 2023 and 2022 presented for comparison were prepared in accordance with the K-IFRS.

(Unit: KRW 1 million)

Category	2024	2023	2022
	31 December 2024	31 December 2023	31 December 2022
[Current assets]	1,115,610	897,568	1,006,089
•Quick assets	904,170	561,677	523,533
•Inventories	211,440	335,891	482,556
[Non-current assets]	369,576	298,121	276,313
•Tangible assets	143,762	122,829	117,624
•Intangible assets	83,524	73,795	63,621
•Other non-current assets	142,290	101,497	95,068
Total assets	1,485,186	1,195,688	1,282,402
[Current liabilities]	350,524	208,177	324,485
[Non-current liabilities]	66,787	19,894	13,107
Total liabilities	417,311	228,071	337,592
[Capital]	8,132	8,132	8,132
[Capital surplus]	76,343	76,343	76,343
[Other capital items]	(381)	(381)	(381)
[Retained earnings]	983,781	883,523	860,716
Total equities	1,067,875	967,617	944,810
Evaluation method for investment shares in subsidiaries, associates, joint ventures	Cost method	Cost method	Cost method
	(01 January 2024 ~ 31 December 2024)	(01 January 2023 ~ 31 December 2023)	(01 January 2022 ~ 31 December 2022)
Sales	1,865,622	1,901,445	2,119,345
Operating profit	164,117	126,624	309,046
Non-controlling interest	129,169	97,316	230,608
Net earnings per share (won)	7,942	5,983	14,179
Net diluted earnings per share (won)	7,942	5,983	14,179

2. Consolidated Financial Statements

2-1. Consolidated Balance Sheet

Consolidated Balance Sheet

As of 31 December 2024

As of 31 December 2023

As of 31 December 2022

(Unit: KRW)

	2024	2023	2022
Assets			
Current assets	1,124,302,602,321	902,885,508,054	1,009,649,198,828
Cash and cash equivalents	238,812,527,045	184,417,149,183	188,365,134,297
Short-term financial instruments	160,000,000,000	120,514,272,143	130,501,257,585
Trade receivables	448,798,746,663	204,968,516,437	143,347,796,852
Other payables	5,316,108,562	3,418,658,323	30,339,286,252
Other current assets	59,935,403,474	53,675,872,497	34,539,288,607
Inventories	211,439,816,577	335,891,039,471	482,556,435,235
Non-current assets	375,499,346,539	302,179,436,683	279,969,343,305
Long-term other receivables	9,482,830,679	12,768,553,040	15,729,501,307
Investments in associates and joint ventures	47,624,683,592	47,935,017,586	39,730,521,788
Tangible assets	111,129,212,477	104,427,738,469	105,170,569,415
Licensed assets	37,621,013,253	21,512,251,346	17,009,677,694
Intangible assets	84,391,556,772	73,937,288,123	63,798,898,823
Other non-current assets	52,660,261,648	8,994,436,051	10,161,318,572
Defined benefit assets	5,795,123,835	9,689,545,632	18,301,443,497
Deferred tax assets	26,794,664,283	22,914,606,436	10,067,412,209
Total assets	1,499,801,948,860	1,205,064,944,737	1,289,618,542,133
Liabilities			
Current liabilities	351,838,480,250	207,337,013,241	324,401,670,974
Trade payables	153,443,980,008	97,600,609,220	196,211,140,403
Other payables	102,575,719,049	44,464,287,526	68,951,899,343
Other current liabilities	50,866,220,497	32,386,322,421	10,732,740,461
Derivative liabilities	13,642,987,958	0	0
Lease liabilities	9,882,329,798	7,643,405,206	8,158,860,041

Current tax liabilities	21,427,242,940	25,242,388,868	40,347,030,726
Non-current liabilities	68,376,942,104	20,964,194,264	14,856,222,405
Other non-current payables	34,505,887,888	1,825,320,000	2,001,160,000
Other non-current liabilities	6,623,694,362	5,657,823,936	5,127,321,699
Lease liabilities	27,245,378,294	13,481,050,328	7,727,740,706
Defined benefit obligations	1,981,560	0	0
Total liabilities	420,215,422,354	228,301,207,505	339,257,893,379
Equity			
Equity attributable to owners of the Parent	1,079,586,526,506	976,763,737,232	950,360,648,754
Capital	8,132,150,000	8,132,150,000	8,132,150,000
Capital surplus	76,343,170,500	76,343,170,500	76,343,170,500
Other capital items	151,598,197	(1,072,918,655)	(781,710,611)
Retained earnings	994,959,607,809	893,361,335,387	866,667,038,865
Non-controlling interest	0	0	0
Total equities	1,079,586,526,506	976,763,737,232	950,360,648,754
Total equities and liabilities	1,499,801,948,860	1,205,064,944,737	1,289,618,542,133

2-2. Consolidated Income Statement

Consolidated Income Statement

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	2024	2023	2022
Sales	1,865,621,538,499	1,901,444,975,029	2,119,345,363,613
COGS	1,249,744,048,726	1,367,468,136,980	1,443,672,300,059
Gross profit	615,877,489,773	533,976,838,049	675,673,063,554
Selling and administrative expenses	448,800,685,957	404,941,181,710	365,049,100,804
Operating profit	167,076,803,816	129,035,656,339	310,623,962,750
Finance income	19,737,759,357	12,985,625,309	11,958,230,104
Finance costs	33,787,507,774	24,997,658,777	12,873,979,866
Other non-operating income	43,258,740,760	31,252,845,566	44,572,977,627
Other non-operating expenses	28,230,967,390	24,993,326,366	52,214,122,387
Equity method gains and losses	(59,124,068)	3,003,366,960	1,903,503,922
Income before income taxes	167,995,704,701	126,286,509,031	303,970,572,150
Income tax expenses	37,486,550,771	25,082,976,025	70,278,031,741

Net income	130,509,153,930	101,203,533,006	233,692,540,409
Attribution of net income (loss)			
Owners of the controlling company	130,509,153,930	101,203,533,006	233,692,540,409
Non-controlling interest	0	0	0
Earnings per share			
Basic earnings per share (Unit: KRW)	8,024	6,222	14,368
Diluted earnings per share (Unit: KRW)	8,024	6,222	14,368

2-3. Consolidated Comprehensive Income Statement

Consolidated Comprehensive Income Statement

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

From 01 January to 2021 to 31 December 2021

(Unit: KRW)

	2024	2022	2022
Net income (loss)	130,509,153,930	101,203,533,006	233,692,540,409
Other comprehensive income	1,589,375,344	(1,611,094,528)	4,162,620,098
Remeasurements of defined benefit plans	364,858,492	(1,319,886,484)	4,959,634,424
Gain on valuation of investment stock by the equity method	(177,495,767)	170,933,827	0
Gain (loss) on overseas business translation	1,093,417,528	(79,002,933)	(185,852,001)
Gain on valuation of investment stock by the equity method	308,595,091	(383,138,938)	(611,162,325)
Total comprehensive income	132,098,529,274	99,592,438,478	237,855,160,507
Attribution of total comprehensive income			
Owners of the controlling company	132,098,529,274	99,592,438,478	237,855,160,507
Non-controlling interest	0	0	0

2-4. Consolidated Statement for Changes in Capital

Consolidated Statement for Changes in Capital

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	Equity						
	Equity attributable to owners of the Parent					Non-controlling interest	Total
	Capital	Capital surplus	Other capital items	Retained earnings	Total equity attributable to owners of the Parent		
01 January 2022	8,132,150,000	76,343,170,500	15,303,715	715,842,084,032	800,332,708,247	0	800,332,708,247
Net income	0	0	0	233,692,540,409	233,692,540,409	0	233,692,540,409
Remeasurement related to defined benefit plan	0	0	0	4,959,634,424	4,959,634,424	0	4,959,634,424
Gain (loss) on overseas business translation	0	0	(185,852,001)	0	(185,852,001)	0	(185,852,001)
Gain on valuation of investment stock by the equity method	0	0	(611,162,325)	0	(611,162,325)	0	(611,162,325)
Annual dividends	0	0	0	(87,827,220,000)	(87,827,220,000)	0	(87,827,220,000)
31 December 2022	8,132,150,000	76,343,170,500	(781,710,611)	866,667,038,865	950,360,648,754	0	950,360,648,754
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
Net income	0	0	0	101,203,533,006	101,203,533,006	0	101,203,533,006
Remeasurement related to defined benefit plan	0	0	0	(1,319,886,484)	(1,319,886,484)	0	(1,319,886,484)
Gain (loss) on overseas business translation	0	0	(79,002,933)	0	(79,002,933)	0	(79,002,933)
Gain on valuation of investment stock by the equity method	0	0	(212,205,111)	0	(212,205,111)	0	(212,205,111)
Annual dividends	0	0	0	(73,189,350,000)	(73,189,350,000)	0	(73,189,350,000)
31 December 2023	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
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
Net income	0	0	0	130,509,153,930	130,509,153,930	0	130,509,153,930
Remeasurement related to defined benefit plan	0	0	0	364,858,492	364,858,492	0	364,858,492
Gain (loss) on overseas business translation	0	0	1,093,417,528	0	1,093,417,528	0	1,093,417,528
Gain on valuation of investment stock by the equity method	0	0	131,099,324	0	131,099,324	0	131,099,324
Annual dividends	0	0	0	(29,275,740,000)	(29,275,740,000)	0	(29,275,740,000)
31 December 2024	8,132,150,000	76,343,170,500	151,598,197	994,959,607,809	1,079,586,526,506	0	1,079,586,526,506

2-5. Consolidated Statement of Cash Flows

Consolidated Statement of Cash Flows

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	2024	2023	2022
Operating cash flows	168,867,504,547	102,405,033,951	(81,731,299,021)
Cash flows from operating activities	197,228,793,518	143,157,710,311	14,917,644,305
Net income	130,509,153,930	101,203,533,006	233,692,540,409
Adjustments	99,468,859,991	113,958,211,112	153,434,770,945
Change to equities/liabilities on sales operations	(32,749,220,403)	(72,004,033,807)	(372,209,667,049)
Interest received	17,024,395,427	12,328,108,858	11,280,425,657

Interest paid	(943,409,396)	(448,344,323)	(430,595,529)
Receipt of dividends	382,309,250	0	0
Income taxes paid	(44,824,584,252)	(52,632,440,895)	(107,498,773,454)
Cash flows from investing activities	(76,816,118,580)	(26,244,846,040)	230,799,913,907
Receipt of dividends	0	273,716,051	0
Increase in short term financial instruments	(640,000,000,000)	(170,014,946,386)	(210,529,243,362)
Decrease in short term financial instruments	600,538,046,281	180,000,000,000	550,000,000,000
Increase in other receivables	(1,735,991,200)	(365,301,081)	(7,914,973,390)
Decrease in other receivables	5,581,397,831	2,697,261,698	3,058,190,745
Decrease in other liabilities	0	0	(20,000,000)
Acquisition of tangible assets	(23,079,612,443)	(32,926,692,756)	(59,871,816,458)
Disposal of tangible assets	22,434,000	19,521,232,600	937,220,000
Acquisition of intangible assets	(18,961,920,322)	(19,743,067,166)	(19,489,413,628)
Disposal of intangible assets	819,527,273	1,000	1,400,000,000
Acquisition of investments in associates	0	(5,687,050,000)	(26,770,050,000)
Cash flow from financing activities	(38,126,909,406)	(81,590,138,998)	(94,554,985,039)
Payment of dividends	(29,275,659,685)	(73,189,350,000)	(87,827,220,000)
Repayment of lease liabilities	(8,851,249,721)	(8,400,788,998)	(6,727,765,039)
Net increase (decrease) in cash and cash equivalents	53,924,476,561	(5,429,951,087)	54,513,629,847
Cash and cash equivalents as of 1 January	184,417,149,183	188,365,134,297	135,613,700,789
Effects of exchange rate changes on cash and cash equivalents	470,901,301	1,481,965,973	(1,762,196,339)
Cash and cash equivalents as of 31 December	238,812,527,045	184,417,149,183	188,365,134,297

3. Notes on Consolidated Financial Statements

1. General Matters (Consolidated)

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

1.1. 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 31 December 2023 and 2022 is 8,132,150,000 won (16,264,300 issued shares and 50,000,000 authorized shares).

The shareholders of the controlling company as of 31 December 2024 and 2023 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) Overview of subsidiaries as of 31 December 2024 and 2023

Company name	Location	Major business activity	Month of 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 Japan Co., Ltd.	Japan	Semiconductor manufacturing and designing	December	100%	100%
LX Semicon Taiwan Co., Ltd.	Taiwan	Semiconductor manufacturing and designing	December	100%	100%

There are no companies newly included or excluded from consolidation as of 31 December 2023 and 2022.

(3) Summarized financial information of subsidiaries

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

(Unit: KRW)

Company name	31 December 2024			2024		
	Assets	Liabilities	Equity	Sales	Net Income	Total comprehensive income
LX Semicon U.S.A., Inc	1,945,377,037	415,638,591	1,529,738,446	4,409,461,041	121,385,138	302,687,305
LX Semicon China Co., Ltd.	11,732,122,776	3,203,429,779	8,528,692,997	17,481,192,039	1,158,382,310	1,972,906,709
LX Semicon Japan Co., Ltd.	4,414,172,450	2,627,685,854	1,786,486,596	8,975,191,238	385,755,579	436,465,952
LX Semicon Taiwan Co., Ltd.	1,581,446,618	779,295,371	802,151,247	891,880,299	38,380,658	85,261,247

(Unit: KRW)

Company name	31 December 2023			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	3,811,013,197	284,443,018	297,170,374
LX Semicon China Co., Ltd.	8,074,699,003	1,518,912,715	6,555,786,288	16,589,835,863	1,210,462,882	1,170,445,088
LX Semicon Japan Co., Ltd.	3,032,447,494	1,682,426,850	1,350,020,644	5,215,548,785	349,122,222	297,409,727

2. Standards for Preparing Financial Statements (Consolidated)

The consolidated financial statements of the Parent and its subsidiaries (hereinafter referred to as the "Group") have been prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS). The International Accounting Standards applied by Korea refer to the standards and interpretations published by the International Accounting Standards Board ("IASB") applied by the Republic of Korea.

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities (including derivatives), certain types of property, plant and equipment and investment properties measured at fair value
- Assets held for sale measured at fair value less costs to sell
- Contingent consideration measured at fair value
- Defined benefit plans and plan assets measured at fair value

The K-IFRS allow the use of material accounting estimates in the preparation of financial statements. It requires management's judgment in applying accounting policies. Parts that require more complex and high-level judgments or that require important assumptions and estimates are explained in Note 4.

3. Significant Accounting Policies (Consolidated)

The following are significant accounting policies applied in the preparation of the consolidated financial statements. These policies apply continuously for the accounting period indicated, unless otherwise stated.

3.1. Changes in accounting policies and disclosures

3.1.1. Enacted and amended standards and interpretations applied by the Group

The Group has newly applied the following enacted and amended standards and interpretations from the accounting period beginning on 1 January 2024.

(1) Amendment to K-IRFS 1001 Presentation of Financial Statements - Classification of Liabilities into Current/Non-current, and Non-current Liabilities with Agreements

Liabilities are classified as current or non-current based on the substantial rights existing at the end of the reporting period, and the possibility of deferring the settlement of the liabilities or the management's expectations are not considered. Additionally, the settlement of liabilities may include the transfer of equity instruments, but liabilities settled by equity instruments as part of a compound financial instrument are excluded if the option to settle meets the definition of equity and is recognized separately from the liability. Furthermore, commitments that the company must comply with after the end of the reporting period do not affect the classification of the liabilities at the end of the reporting period. If a liability that needs to be settled within 12 months after the reporting period is classified as non-current at the end of the reporting period, information about the risk of settling the liability within the subsequent 12 months must be disclosed. The amendment to the standard has no significant impact on the consolidated financial statements.

(2) Amendment to K-IRFS 1007 Statement of Cash Flows and K-IRFS 1107 Financial Instruments: Disclosure - Disclosure of Information on Supplier Finance Arrangements

When applying supplier finance arrangements, entities must disclose information about such arrangements to enable financial statement users to assess their impact on the entity's liabilities, cash flows, and liquidity risk management. The amendment to the standard has no significant impact on the consolidated financial statements.

(3) Amendment to K-IRFS 1116 Lease - Lease liabilities in a Sale and Leaseback

When measuring lease liability in a sale and leaseback subsequently, lease payments or lease modifications are calculated without recognizing the profit or loss related to the right of use held by the seller-lessee. The amendment to the standard has no significant impact on the consolidated financial statements.

(4) Amendment of K-IRFS 1001 Presentation of Financial Statements – Disclosure of Virtual Assets

The amendment stipulates additional disclosure requirements for holding virtual assets, holding virtual assets on behalf of customers, and issuing virtual assets. The amendment to the standard has no significant impact on the consolidated financial statements.

3.1.2 Newly issued or revised standards and interpretations not yet adopted by the group

The following new or revised standards and interpretations have been issued but are not yet effective and therefore have not been applied by the Group:

(1) Amendments to K-IFRS 1021 Effects of Changes in Foreign Exchange Rates and K-IFRS 1101 First-time Adoption of Korean International Financial Reporting Standards

The amendments require an entity to assess the exchangeability of a currency. If exchangeability is lacking, the entity must estimate the spot exchange rate and disclose relevant information. These amendments are effective for annual reporting periods beginning on or after 01 JAN 2025, with earlier application permitted. The Group is currently assessing the impact of these amendments on its consolidated financial statements.

(2) Amendments to K-IFRS 1109 Financial Instruments and K-IFRS 1107 Financial Instruments: Disclosures

To address practice issues and incorporate new requirements, K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 Financial Instruments: Disclosures have been amended. These amendments are effective for annual reporting periods beginning on or after 01 January 2026, with earlier application permitted. The Group is currently assessing the impact of these amendments on its consolidated financial statements. The key amendments are as follows:
· Allowing a financial liability to be considered settled (derecognized) through an electronic payment system prior to the settlement date, if specific criteria are met
· Clarifying and adding guidance on assessing whether a financial asset meets the criteria of being solely payments of principal and interest (SPPI)
· Requiring disclosure, by class of financial instrument, of the impact of contractual terms that change the timing or amount of contractual cash flows and the extent of the entity’s exposure
· Additional disclosure requirements for equity instruments designated at FVOCI

(3) Annual Improvements to K-IFRS, Volume 11

The Annual Improvements to K-IFRS, Volume 11, are effective for annual reporting periods beginning on or after 01 January 2026, with earlier application permitted. The Group does not expect these amendments to have a significant impact on its consolidated financial statements.
· K-IFRS 1101 First-time Adoption of K-IFRS: Application of hedge accounting on first-time adoption
· K-IFRS 1107 Financial Instruments: Disclosures: Derecognition gains or losses, implementation guidance
· K-IFRS 1109 Financial Instruments: Derecognition of lease liabilities and definition of transaction price
· K-IFRS 1110 Consolidated Financial Statements: Determination of de facto agents
· K-IFRS 1007 Statement of Cash Flows: Cost method

3.2. Consolidated

The Group prepares its consolidated financial statements in accordance with K-IFRS 1110 Consolidated Financial Statements.

(1) Subsidiaries

A subsidiary is any company that is controlled by the Parent. The Group considers it has control over an invested company if it is exposed to or has rights to variable returns from its involvement with the invested company, and has the ability to affect those returns through its power over the company.

Subsidiaries are included in the consolidated financial statements from the date that control commences and are excluded from the consolidated financial statements when control is lost.

The Group's business combinations are accounted for using the acquisition method. The consideration transferred is measured at the fair value on the acquisition date, and the identifiable assets acquired, liabilities and contingent liabilities are initially measured at their fair values at the acquisition date. The Group measures non-controlling interests that provide proportionate shares of the net assets upon liquidation either at proportionate shares of the acquiree's net assets or at fair value for each business combination. Other non-controlling interests are measured at fair value unless another standard requires differently. Acquisition-related costs are recognized as expenses in the periods in which the costs are incurred.

Goodwill is recognized as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. If the sum is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in profit or loss.

Intra-group balances, transactions, income, expenses, and unrealized gains and losses resulting from transactions between group companies are eliminated. Subsidiary accounting policies are changed where necessary to ensure consistency with the policies adopted by the Group.

Transactions with non-controlling interests that do not result in a loss of control are directly recognized in equity as transactions with the owners in their capacity as owners. The difference between the fair value of the consideration paid or received and the adjustment amount of the non-controlling interests is attributed to the owners of the Parent.

When the Group loses control of a subsidiary, the remaining interest in the subsidiary is re-measured at its fair value at the date when control is lost. The resulting difference is recognized in profit or loss.

(2) Associates

An associate is an entity over which the Group has significant influence, and investments in associates are initially recognized at acquisition cost, subsequently applying the equity method. Unrealized gains arising from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. If the Group's share of losses equals or exceeds its interest in the associate (including any long-term investments that form part of the net investment), the application of the equity method is discontinued. However, further losses are recognized as a liability and loss to the extent that the Group has a legal or constructive obligation or has made payments on behalf of the associate, even after its share reduces to zero. Additionally, if there are objective indicators of impairment for investments in associates, the difference between the recoverable amount and the book value of the associate investment is recognized as an impairment loss. The Group ensures that the same accounting policies as those of the Group are applied to similar transactions and events when using the financial statements of the associate for applying the equity method, adjusting the associate's financial statements where necessary.

(3) Joint arrangements

Joint arrangements, where two or more parties have joint control, are classified as either joint operations or joint ventures. Participants in a joint operation have rights to the assets and obligations for the liabilities of the operation and recognize their share of the assets, liabilities, revenues, and expenses of the joint operation. Participants in a joint venture have rights to the net assets of the venture and apply the equity method.

3.3. Foreign currency translation

(1) Functional and presentation currency

The Group measures items included in the financial statements of individual entities within the Group using the currency ("functional currency") of the primary economic environment in which each entity operates. The functional currency of the parent company is the South Korean Won, and the financial statements are presented in South Korean Won.

(2) Foreign currency transactions and translation at the end of the reporting period

Foreign currency transactions are recognized in the functional currency at the exchange rate at the date of the transaction or, in the case of remeasured items, at the rate at the valuation date. Exchange differences arising from the settlement of foreign currency transactions or the translation of monetary foreign currency assets and liabilities are recognized as current profit or loss. However, gains and losses on monetary items that relate to the effective portion of a qualifying cash flow hedge or net investment hedge or that are part of a net investment in a foreign operation of the reporting entity are recognized as other comprehensive income.

Foreign exchange differences arising from non-monetary financial assets and liabilities are regarded as part of fair value gains and losses, and foreign exchange differences arising from equity instruments measured at FVTPL are recognized as current profit or loss, and exchange differences on equity instruments measured at FVOCI are recognized as part of other comprehensive income.

(3) Translation to presentation currency

The financial statements of all entities within the Group that have a functional currency different from the Group's presentation currency are translated using the following method:

- Assets and liabilities are translated at the exchange rate at the end of the reporting period;
- Income and expenses are translated at the average exchange rate for the period;
- Equity is translated at historical exchange rates;
- Exchange differences arising from translation are recognized in other comprehensive income.

The goodwill and fair value adjustments to the book values of assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the exchange rate at the end of the reporting period.

3.4. Financial assets

(1) Classification

The Group classifies its financial assets into the following measurement categories:

- Financial assets measured at FVTPL
- Financial assets measured at FVOCI
- Financial assets measured at amortized cost

Financial assets are classified based on the business model for managing financial assets and the contractual cash flow characteristics of financial assets.

Gains or losses on financial assets measured at fair value are recognized as profit or loss or other comprehensive income. Investments in debt instruments are recognized in profit or loss or other comprehensive income based on the business model for holding the assets. The Group reclassifies debt instruments only when it changes its business model for managing its financial assets.

Investments in equity instruments that are not held for trading may have an irrevocable choice, at initial recognition, to present subsequent changes in fair value in other comprehensive income. The changes in the fair value of investments in undesignated equity instruments are recognized as profit or loss.

(2) Measurement

The Group initially measures financial assets measured at fair value, and for financial assets not measured at FVTPL, the transaction costs directly attributable to the acquisition of the financial asset are added to the fair value. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

When determining whether a compound contract, including embedded derivatives, has cash flows that are solely principal and interest, the entire compound contract is considered.

① Debt instruments

The subsequent measurement of financial assets is based on the contractual cash flow characteristics of the financial assets and the business model that manages the financial assets. The Group classifies debt instruments into the following three categories:

(A) Amortized cost

Under a business model where financial assets are held to collect contractual cash flows, and where the contractual cash flows consist solely of principal, the assets are measured at amortized cost. Profit or loss on financial assets measured at amortized cost, which are not designated as hedging instruments, are recognized in profit or loss when the financial assets are derecognized or impaired. Interest income recognized on financial assets measured at amortized cost according to the effective interest rate method is included in financial income.

(B) Financial assets measured at FVOCI

Under a business model where financial assets are held both to collect contractual cash flows and to sell the financial assets, and where the contractual cash flows consist solely of principal, the financial assets are measured at FVOCI. Except for impairment losses (reversals), interest income, and foreign exchange gains or losses, the fair value gains or losses on financial assets measured at FVOCI are recognized in other comprehensive income. Upon derecognition of financial assets, the accumulated balance of other comprehensive income is reclassified from equity to profit or loss. Interest income recognized on financial assets measured at FVOCI according to the effective interest rate method is included in financial income. Foreign exchange gains are presented as other income, while impairment losses are presented as other expenses.

(C) Financial assets measured at FVTPL

Debt instruments not measured at amortized cost or FVOCI are measured at FVTPL. Gains or losses on debt instruments measured at FVTPL, where hedge accounting is not applied, are recognized in profit or loss for the period and presented as other non-operating income or other non-operating expenses on the income statement.

② Equity instruments

The Group subsequently measures its investments in all equity instruments measured at fair value. Amounts recognized in other comprehensive income for equity instruments for long-term or strategic investments that elect to present changes in fair value in other comprehensive income are not reclassified to profit or loss when the equity instruments are derecognised. Dividend income from these equity instruments is recognized as profit or loss as 'financial income' when the Group's right to receive the dividend is established.

The changes in the fair value of financial assets measured at FVTPL are presented as other non-operating income or other non-operating expenses in the income statement. Impairment losses (reversals) for equity instruments measured at FVOCI are not recognized separately.

(3) Impairment

The Group evaluates expected credit losses on debt instruments that are measured at amortized cost or at FVOCI based on future prospect information. The impairment method is determined by whether there is a significant increase in credit risk. However, for trade receivables and lease receivables, the Group applies the expedient method of recognizing expected credit losses over the entire period from the initial recognition of the receivables.

(4) Recognition and derecognition

Regular purchases or sales of financial assets are recognized or derecognized on the trading day. A financial asset is derecognized when the contractual right to the cash flows expires or when the financial asset is transferred and substantially all of the risks and rewards of ownership have been transferred.

Even if the Group transfers the financial assets, if the Group retains most of the risks and rewards of ownership of the transferred financial assets due to the right of recourse in the event of default by the debtor, it continues to recognize the entire transferred asset without derecognition, but recognizes the consideration received as a financial liability.

(5) Offset of financial instruments

For financial assets and liabilities, only if it currently has a legally enforceable right of offset for the recognized assets and liabilities and intend to either settle on a net basis or to realize the assets and settle the liabilities at the same time, the Group offsets financial assets and financial liabilities and presents them in net amounts in the consolidated statement of financial position. A legally enforceable right of offset shall not depend on future events and shall be enforceable in the normal course of business, in the event of default and in the event of insolvency or bankruptcy.

3.5. Derivative Instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives that do not qualify for hedge accounting are classified as held for trading, and changes in the fair value of such derivatives are recognized in the statement of profit or loss as financial income (expenses), depending on the nature of the transaction. The accounting treatment of changes in the fair value of derivatives differs depending on whether the derivative is designated as a hedging instrument and on the nature of the hedged item. The Group enters into derivatives for hedging purposes, and some of these derivatives are designated as hedging instruments in the following hedging relationship.
· Hedging the exposure to changes in the fair value of a recognized asset or liability or a firm commitment (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 hedge will offset changes in the cash flows of the hedged item. The Group also documents its risk management objectives and strategy for undertaking the hedge.

The fair value of derivatives used for hedging purposes is disclosed in Note 6.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is greater than 12 months, and as a current asset or liability when the maturity is 12 months or less. Derivative liabilities not designated as hedging instruments are classified as current or non-current depending on the settlement date, and derivative assets are classified as current or non-current depending on their expected maturity.

Changes in the fair value of derivatives designated as hedging instruments in fair value hedges are recognized in the statement of profit or loss together with the changes in the fair value of the hedged item attributable to the hedged risk. When hedge accounting is no longer applied, for hedged items measured using the effective interest method, the adjustment to the carrying amount is amortized to interest income over the remaining maturity.

3.6. Trade receivables

Trade receivables are initially recognized at the undiscounted amount of consideration when recognized at fair value, unless they contain significant financing components. Subsequently, trade receivables are measured at amortized cost using the effective interest method, net of allowance for losses.

3.7. Inventories

Inventories are reported at the lower of cost and net realizable value, with the cost of inventories determined using the specific identification method or the weighted average method.

3.8. Tangible assets

Tangible assets are presented at the historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure directly attributable to the acquisition of the asset.

Assets, other than land, are amortized using the straight-line method over their estimated useful lives, less residual value from cost.

Category	Estimated useful lives
Buildings and structures	20~ 40 years
Machinery and equipment	5 years
Office equipment	4 years
Other tangible assets	2~5 years

The depreciation methods, residual values and useful lives of property, plant and equipment are reviewed at the end of each fiscal year and adjusted, if necessary, for changes in estimates.

3.9. Government subsidies

Government subsidies are recognized at fair value when there is reasonable assurance that the grant will be received and the conditions attached to the grant will be complied with. Subsidies related to assets are presented as a deduction when calculating the book value of assets, and subsidies related to income are deferred and presented as a deduction from expenses related to the purpose of granting government subsidies.

3.10. Intangible assets

Goodwill is recognized as the amount by which the total fair value of the consideration transferred and the fair value at the acquisition date of any previously held equity interest in the acquiree exceed the identifiable net assets acquired. Goodwill is presented at cost less any accumulated impairment losses, and impairment losses on goodwill are not reversed.

Intangible assets, excluding goodwill, are initially recognized at historical cost and are subsequently presented at cost less accumulated depreciation and any accumulated impairment losses.

Internally generated intangible assets represent the sum of expenditures incurred after the point at which the asset recognition criteria, including technical feasibility and future economic benefits, are met. Contractual customer relationships acquired through business combinations are recognized at their fair value at the date of acquisition. Membership rights, which have no foreseeable limit to their period of use, are not depreciated due to their indefinite useful life. Other intangible assets with finite useful lives are depreciated over their estimated useful lives using the straight-line method.

Category	Estimated useful lives
Industrial property rights	10 years
Software	5 years
Other intangible assets	5 years

3.11. Impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives are tested annually for impairment when there are indications of impairment for assets subject to amortization. Impairment losses are recognized for the book value in excess of recoverable amount (value in use or fair value after deducting costs of disposal, whichever is higher), and impairment losses on non-financial assets other than goodwill are reviewed for possible reversal at the end of each reporting period.

3.12. Trade and other payables

Trade and other payables represent the Group's liabilities for goods and services received before the end of the reporting period that have not yet been paid. Trade payables and other liabilities are classified as current liabilities unless their payment is due more than 12 months after the reporting period. These liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

3.13. Financial liabilities

(1) Classification and measurement

The Group's financial liabilities at FVTPL are financial instruments held for trading. Financial liabilities incurred primarily for the purpose of repurchasing in the short term are classified as trading financial liabilities. Derivatives not designated as hedge accounting instruments or embedded derivatives separated from financial instruments are also classified as trading financial liabilities.

All non-derivative financial liabilities, other than financial liabilities at FVTPL, financial guarantee contracts, and financial liabilities arising when transfers of financial assets do not qualify for derecognition, are classified as financial liabilities measured at amortized cost and presented as trade payables, other payables on the consolidated statement of financial position.

Borrowings are initially recognized at the amount of proceeds received, which is the fair value minus transaction costs, and subsequently measured at amortized cost. The difference between the amount received (net of transaction costs) and the repayment amount is recognized in the income statement over the period of the borrowing using the effective interest rate method. Fees paid to obtain a borrowing facility are recognized as part of the transaction cost of the borrowings to the extent that it is probable that some or all of the facility will be drawn down. In such cases, the fees are deferred until the draw-down occurs. Fees that are not considered likely to result in a draw-down of the facility are recognized as prepaid assets for the liquidity services provided and are amortized over the period of the borrowing facility.

If there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period, the borrowings are classified as a current liability.

(2) Derecognition

Financial liabilities are derecognized from the consolidated statement of financial position when contractual obligations are discharged, canceled or expired, or when the terms of an existing financial liability change materially. The difference between the book value of financial liabilities extinguished or transferred to a third party and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognized as profit or loss.

3.14. Financial guarantee contracts

The financial guarantee contracts provided by the Group are initially recognized at fair value. Subsequently, they are measured at the higher of the following amounts:

(1) The loss allowance calculated in accordance with the impairment requirements for financial instruments.
(2) The initial recognition amount minus any cumulative gain recognized in accordance with K-IRFS 1115.

The fair value of financial guarantee contracts is estimated based on the market price of similar financial instruments, by comparing interest rates of borrowed funds with and without the provision of the financial guarantee, or by calculating the present value of the expected future payments due to the financial guarantee.

3.15. Provisions

Liabilities for warranty provisions and similar obligations are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to settle the obligation, and the increase in the provision due to the passage of time is recognized as interest expense.

3.16. Current income tax and deferred income tax

Tax expenses consist of current income tax and deferred income tax. Taxes related to items directly recognized in other comprehensive income or equity are recognized directly in those items, and all other taxes are recognized in the current profit or loss.

Current income tax expense is measured based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates the Company's tax policies applied in tax filings, considering the potential interpretations of applicable tax laws and the likelihood that uncertain tax treatments will be accepted by the tax authorities. The Group reflects the impact of uncertainty by using the method that better predicts the resolution of uncertainty, whether it is the most likely amount or the expected value.

Deferred income tax is recognized for the expected income tax effects when recovering or settling the book values of assets and liabilities, arising from temporary differences between the book values and tax bases of assets and liabilities. However, deferred tax assets and liabilities arising from the initial recognition of assets and liabilities in transactions other than business combinations are not recognized if the transaction does not affect accounting profit or taxable income.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures, except where the Group can control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. In addition, deferred tax assets from deductible temporary differences associated with these investments are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset if, and only if, the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority. Current tax assets and liabilities are offset if there is a legally enforceable right to set off and the intention is either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.17. Employee benefits

(1) Retirement benefits

The Group's pension scheme is categorized as a defined benefit plan.

A defined contribution plan is a pension scheme where the Group pays fixed contributions into a separate entity and recognizes such contributions as an expense when the employee services are rendered.

A defined benefit plan encompasses all pension plans excluding defined contribution plans. Typically, in a defined benefit plan, the amount of pension benefits to be paid upon an employee's retirement is determined based on factors such as age, years of service, or salary level. The liability recorded on the balance sheet related to defined benefit plans represents the present value of the defined benefit obligation, reduced by the fair value of any plan assets held externally. The defined benefit obligation is annually calculated by an independent actuarial using the projected unit credit method, and its present value is determined by discounting the expected future cash outflows using interest rates of high-quality corporate bonds that have maturities approximating the payments' timing. Meanwhile, remeasurement components related to net defined benefit liabilities are recognized in other comprehensive income.

In the event of a plan amendment, curtailment or settlement, past service cost or any gain or loss on settlement is recognized as profit or loss.

(2) Other long-term employee benefits

Some companies within the Group provide long-term employee benefits to employees who have served for extended periods. The right to receive these benefits is granted exclusively to long-serving employees. The measurement of other long-term employee benefits is similar to that of defined benefit plans, and the cost of employment, net interest on the other long-term employee benefit liability, and re-measurement components are recognized in profit or loss for the period. Additionally, these liabilities are evaluated annually by an independent and qualified actuarial professional.

3.18. Revenue recognition

The Group is engaged in the business of designing and manufacturing semiconductors that drive display panels, and sells these to customers. Revenue is recognized according to K-IFRS 1115 Revenue from Contracts with Customers. Revenue is recognized when control of the goods or services transfers to the customer, which is when the Group expects to be entitled to consideration in exchange for those goods or services.

Generally, the point at which control of the goods is transferred is determined to be when the goods have been shipped to a specified location, the risks and rewards of ownership have transferred to the customer, and there is objective evidence that the customer has accepted the goods or the conditions for acceptance have been satisfied.

(1) Returns

Returns are accounted for by recognizing the total expected amount of refunds as a contract liability and adjusting the revenue accordingly. When a customer exercises their right to return a product, the right to recover the product from the customer is recognized as a contract asset, and the cost of sales is adjusted by the same amount. The right to recover the product is measured by deducting the cost of recovering the product from its historical book value.

(2) Significant financial components

In general, the period between transferring goods or services and paying the price is less than one year, and in such cases, a practical expedient method is used that does not adjust the promised price to reflect the influence of significant financial factors.

3.19. Lease

(1) Lessor

If the Group is a lessor, lease income from operating leases is recognized on a straight-line basis over the lease term. The Company adds the direct cost of establishing a lease to the book value of the underlying asset and recognizes it as an expense over the lease term on the same basis as the rental income. Each leased assets are presented on the basis of its characteristics in the consolidated statement of financial position.

(2) Lessee

The Group leases various properties and vehicles. Lease agreements are typically for a fixed period, but may include options to extend as described below.

Agreements can include both lease and non-lease components. The Group has allocated the contract consideration to the lease and non-lease components based on their relative standalone prices.

Lease terms are negotiated individually and include various terms and conditions. Although there are no other restrictions imposed by the lease agreements, the leased asset cannot be provided as collateral for borrowings.

In the non-cancellable period within the enforceable period of the contract, the Group calculates the lease term including the covered period when it is reasonably certain that the lessee will exercise the option of extension and the covered period when it is reasonably certain that the lessee will not exercise the option of termination. If the lessee and the lessor each have the right to terminate without the consent of the other party, the Group calculates the enforceable period in consideration of the economic disadvantages to be incurred when the contract is terminated.

Assets and liabilities arising from leases are initially measured at present value. Lease liabilities include the net present value of the following lease payments:

- Fixed lease payments, reduced by any lease incentives received (including any substantive fixed lease payments);
- Variable lease payments that change based on an index or rate, initially measured using the index or rate as of the commencement date;
- Amounts expected to be payable by the Group (lessee) under a residual value guarantee;
- The exercise price of a purchase option, if it is reasonably certain that the Group (lessee) will exercise this option;
- Payments to terminate the lease, if the lease term reflects the exercise of an option to terminate by the Group (lessee).

When a lessee is reasonably certain to exercise an option to extend the lease, the lease payments to be made under the extension are also included in the measurement of the lease liability.

Lease payments are discounted using the lease's internal rate of interest if it can be easily determined. If the internal rate cannot be readily calculated, the lessee uses the incremental borrowing rate, which is the interest rate the lessee would have to pay to borrow funds over a similar term, and with a similar security, under comparable economic conditions, to obtain an asset of a similar value to the right-of-use asset.

To calculate the incremental borrowing rate, the Group considers the following factors:

- If possible, the Group starts with the most recent third-party interest rate available to an individual lessee and adjusts for changes in the financial position of the lessee after obtaining third-party financing.
- The Group reflects adjustments specific to the lease such as the country, currency, collateral, and guarantees involved.

When an individual lessee can easily observe the interest rate for a term loan with a similar repayment schedule to the lease (using recent financial or market data), the Group uses this observed rate as a starting point for calculating the incremental borrowing rate.

Additionally, the Group faces exposure to the potential future increases in variable lease payments that depend on indices or rates until the index or rate becomes effective. When adjustments to lease payments based on indices or rates take effect, the lease liability is re-measured and the right-of-use asset is adjusted accordingly.

Lease payments are apportioned between the reduction of the lease liability and the finance cost. The finance cost is recognized in profit or loss over the lease period, calculated to produce a constant periodic rate of interest on the remaining balance of the lease liability.

A right-of-use assets are measured at cost consisting of:

- Initial measurement of the lease liability
- Paid on or before the commencement date of the lease less any lease incentives received;
- Direct cost of opening the lease borne by the lessee;
- Estimate of restoration cost.

Right-of-use assets are depreciated from the commencement date of the lease to the end of the useful life of the right-of-use assets and the end of the lease term. If it is reasonably certain that the Group will exercise the purchase option, the right -of-use assets are depreciated over the useful life of the underlying asset.

Short-term leases of facilities and vehicles and lease payments related to leases of small assets are recognized as profit or loss on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less without purchase options, and small-value leased assets consist of IT equipment and small-value office furniture.

(3) Extension and termination options

The Group includes extension and termination options in many of its lease contracts across the entire entity. These provisions are utilized for operational flexibility in terms of contract management. Most of the extension and termination options held are exercisable at the discretion of the Group rather than the lease provider.

3.20. Operating segment

Operating segment information is disclosed on the basis of internal reporting to the chief operating decision maker (Note 5). The Chief Operating Decision Maker (CODM) is responsible for allocating resources to and evaluating the performance of the operating segments. The Group considers the board of directors as the CODM, as they are responsible for making strategic decisions.

3.21. Approval of financial statements

The financial statements of the Group have been approved by the board of directors on 25 January 2024, and the final approval is expected at the general meeting of shareholders.

4. Significant Accounting Estimates and Assumptions (Consolidated)

The preparation of financial statements requires assumptions and estimates about the future, and management's judgment is required to apply the Group's accounting policies. Estimations and assumptions are continuously evaluated and are made taking into account historical experience and reasonably foreseeable future events in the present circumstances. Since the results of accounting estimates are seldom identical to the actual results, there is a significant risk of causing material adjustments.

Estimates and assumptions that could impact the adjustments of asset and liability book values in the next fiscal year, including management's judgments and significant risks are as follows: Additional information on significant judgments and assumptions for some items is included in separate notes.

(1) Valuation of inventories

Inventories are valued at the lower of cost and net realizable value. The net realizable value is determined based on estimates of expected selling prices and estimated costs of sale, including costs directly related to making the sale. Additionally, the net realizable value of obsolete inventory is also estimated. These estimates are based on current market conditions and past experience. (Note 12)

(2) Provisions

As of the end of the reporting period, a provision for liabilities related to warranty repairs and similar obligations has been recorded. This provision is determined based on estimates grounded in historical experience and other relevant factors that may affect the expected costs associated with such liabilities. (Note 18)

(3) Impairment of goodwill and non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication of impairment for all non-financial assets. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually, or whenever there is an indication of impairment. Other non-financial assets are tested for impairment when there are indications that the carrying amount may not be recoverable.

To determine value in use, management estimates the future expected cash flows from the asset or cash-generating unit and selects an appropriate discount rate to calculate the present value of those future expected cash flows (see Note 15).

(4) Fair value of financial instruments

The fair value of financial instruments not traded in an active market is, in principle, determined using valuation techniques. As of the reporting date, the Group makes judgments on the selection of various valuation techniques and assumptions based on prevailing market conditions (see Note 6).

(5) Net defined benefit liabilities

The present value of net defined benefit liabilities is affected by various factors determined using actuarial methods, particularly changes in the discount rate (see Note 29).

5. Operating Segments (Consolidated)

Description of the Factors Used to Identify Reportable 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 to align with the level at which information is provided to the Chief Executive Officer for decision-making purposes. As a result, it has been identified as a single reporting segment.

Disclosure of Major Customer

are as follows:

2024 (Unit: KRW)

	Major customer A	Major customer B
Information of major customer	Sales from a single external customer that account for more than 10% of the Group's total revenues	Sales from a single external customer that account for more than 10% of the Group's total revenues
Revenue (sales)	1,073,279,011,147	554,434,142,609

2023 (Unit: KRW)

	Major customer A	Major customer B
Information of major customer	Sales from a single external customer that account for more than 10% of the Group's total revenues	Sales from a single external customer that account for more than 10% of the Group's total revenues
Revenue (sales)	1,065,738,873,483	525,127,317,682

Disclosure by Region

2024 (Unit: KRW)

	Region	Sales	Non-current assets(*)
Region	Korea	306,481,793,557	274,910,863,781
	China	1,009,282,616,266	3,419,118,317
	Asia/Oceania	545,041,325,533	2,218,161,081
	America	4,815,803,143	218,322,915
	Others	0	0
Total		1,865,621,538,499	280,766,466,094

2023 (Unit: KRW)

	Region	Sales	Non-current assets(*)
Region	Korea	274,342,602,061	244,558,429,536
	China	919,807,508,314	1,731,281,471
	Asia/Oceania	700,083,956,231	1,490,323,574
	America	7,091,378,295	32,260,943
	Others	119,530,128	0
Total		1,901,444,975,029	247,812,295,524

6. Financial Instruments (Consolidated)

Disclosure of Financial Assets

2024 (Unit: KRW)

					Financial assets	Fair value
Category	Financial assets at amortized cost	Classification	Cash and cash equivalents		238,812,527,045	
			Short-term financial instruments		160,000,000,000	
			Trade receivables		24,923,491,653	
			Other receivables		14,798,939,241	
		Sub-total			438,534,957,939	
	Financial assets at FVOCI	Classification	Cash and cash equivalents			
			Short-term financial instruments			
			Trade receivables		423,875,255,010	
			Other receivables			
		Sub-total				
Total					862,410,212,949	

2023 (Unit: KRW)

					Financial assets	Fair value
Category	Financial assets at amortized cost	Classification	Cash and cash equivalents		184,417,149,183	
			Short-term financial instruments		120,514,272,143	
			Trade receivables		19,305,133,211	
			Other receivables		16,187,211,363	
		Sub-total			340,423,765,900	
	Financial assets at FVOCI	Classification	Cash and cash equivalents			
			Short-term financial instruments			
			Trade receivables		185,663,383,226	
			Other receivables			
		Sub-total				
Total					526,087,149,126	

Disclosure of Financial Liabilities

2024 (Unit: KRW)

					Financial assets	Fair value
Category	Financial liabilities at amortized cost	Classification	Trade receivables		153,443,980,008	
			Other receivables		106,685,420,663	
			Derivative liabilities			
			Lease liabilities			
		Sub-total			260,129,400,671	
	Financial liabilities at FVTPL	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities		13,642,987,958	13,642,987,958
			Lease liabilities			
		Sub-total				
	Financial liabilities outside the scope of IFRS 7	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities			
			Lease liabilities		37,127,708,092	
		Sub-total				
Total					310,900,096,721	

2023 (Unit: KRW)

					Financial assets	Fair value
Category	Financial liabilities at amortized cost	Classification	Trade receivables		97,600,609,220	
			Other receivables		28,568,539,489	
			Derivative liabilities			
			Lease liabilities			
		Sub-total			126,169,148,709	
	Financial liabilities at FVTPL	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities		0	0
			Lease liabilities			
		Sub-total				
	Financial liabilities outside the scope of IFRS 7	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities			
			Lease liabilities		21,124,455,534	
		Sub-total				
Total					147,293,604,243	

Net Profit and Loss by Financial Instrument Category

2024 (Unit: KRW)

	Category	Interest income (Interest expense)	Other income
Assets and liabilities	Financial assets measured at FVOCI	0	10,020,435,931
	Financial assets measured at amortized cost	17,671,738,990	3,410,369,674
	Lease receivables	0	0
	Financial liabilities measured at amortized cost	(859,658,505)	(15,127,393,712)
	Derivatives for hedging purposes	0	(12,537,966,771)
	Lease liabilities	(943,409,396)	0
Total		15,868,671,089	(14,234,554,878)

2023 (Unit: KRW)

	Category	Interest income (Interest expense)	Other income
Assets and liabilities	Financial assets measured at FVOCI	0	(22,728,349,613)
	Financial assets measured at amortized cost	11,344,283,095	3,348,120,334
	Lease receivables	18,612,222	0
	Financial liabilities measured at amortized cost	0	(2,120,398,173)
	Derivatives for hedging purposes	0	0
	Lease liabilities	(448,344,323)	0
Total		10,914,550,994	(21,500,627,452)

Disclosure of Detailed Information on Hedging Instruments

(Unit: KRW)

									Contract amount [USD 1 million]	Contract exchange rate	Account title	Hedge start date	Hedge end date	Hedging instrument – asset	Hedging instrument – liability
Hedge	Fair Value	Instrument	Derivative	Currency Forward	Counterparty	Shinhan Bank and 1 other	Scope	Sub scope		1,298.70					
								Main scope		1,456.75					
							Sub-total		138		Other financial assets / liabilities	11.09.2024~26.12.2024	11.09.2024~07.04.2025	0	13,642,987,958
														0	13,642,987,958

Disclosure of Detailed Information on Hedged Items

(Unit: KRW)

							Carrying amount	Fair value change (pre-tax)
Hedge	Fair value	Instrument	Derivative	Currency forward	Hedged item	Trade receivables	202,807,648,817	13,642,987,958

Disclosure of the Amounts Recognized in the Statement of Comprehensive Income as a Result of Hedge Accounting

(Unit: KRW)

					Profit or loss recognition account	Amount recognized in profit or loss as ineffective portion of the hedge	Change in fair value of derivatives (pre-tax)
Hedge	Fair value	Instrument	Derivative	Currency forward	Gain/loss on valuation of derivatives	0	(13,642,987,958)

Disclosure of 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 31 December 2024.

7. Management of Financial Risk (Consolidated)

Disclosure of the Nature and Extent of Risks Arising from Financial Instruments

	Risk		Market risk		Total risk
	Credit risk	Liquidity risk	Currency risk	Interest rate risk	
			Foreign exchange risk	Interest rate risk	
Description of exposure to risks	Credit risk refers to research risk where clients or the other party on the contract can inflict a financial loss on the Group by failure to fulfill contractual obligations regarding financial instruments. It mainly arises from trade receivables and investment assets to customers.	Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. The Group's market risk exposures include foreign currency risk and interest rate risk. The Group is exposed to foreign currency risk mainly from sales and purchases denominated in foreign currencies. Transactions denominated in USD are the most significant.	Most of the Group's borrowings bear fixed interest rates. Therefore, the Group is not significantly exposed to interest rate fluctuations. However, changes in interest rates may indirectly affect the Group's results of operations and cash flows.	The Group is exposed to various financial risks such as market risk, credit risk, and liquidity risk due to its multiple activities, and its overarching risk management policy focuses on minimizing the potentially adverse effects on its financial performance. The Group uses derivatives to manage specific risks.
Objectives, policies and processes for managing risk	The Group manages credit risk by operating a consistent credit policy across the organization. For corporate customers, external credit ratings are used where available, and for other customers, credit ratings are assessed internally based on financial position and past experience. Credit limits for each customer are set by	The Group's approach to liquidity management is to maintain sufficient liquidity to enable the settlement of liabilities at maturity without incurring abnormally excessive losses or causing reputational damage, even under financially difficult circumstances. The Group manages liquidity risk by maintaining adequate cash and cash equivalents as well as short-term financial instruments.			Risk management is conducted by the Group's finance department following policies approved by management. This department works closely with the operational units of the Group to identify, evaluate, and hedge financial risks. Management reviews and approves documented policies regarding overall risk management, including strategies for

	management according to internal and external credit ratings, and compliance with these limits is reviewed regularly by management.				managing exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investments that exceed liquidity needs.
Description of concentration of risk	The Group's credit risk is significantly concentrated with major customers. All debt instruments held by the Group are classified as low credit risk instruments. For these debt instruments, credit ratings are monitored to assess any deterioration in credit risk.				
Description of the nature of assets held as a result of the enforcement of collateral or other credit enhancements	For certain trade receivables, the Group has obtained credit enhancements such as guarantees or letters of credit, which can be enforced if the counterparty defaults on the contract.				

The Group has the following financial assets to which the expected credit loss model is applied.

- Trade receivables for the provision of goods and services
- Other financial assets measured at amortized cost.
- Debt instruments measured at FVOCI

Cash equivalents are also subject to the impairment provisions, but the identified expected credit loss is insignificant.

Disclosure of Past Due or Impaired Financial Assets

	Classification			
	Trade receivables		Financial assets measured at amortized cost	
	Category			
	Financial assets measured at amortized cost	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets measured at FVOCI
Description of the inputs, assumptions, and estimation techniques used to determine whether a financial asset is credit-impaired	The Group applies the simplified approach to recognize lifetime expected credit losses as a loss allowance for trade receivables.	Debt instruments measured at fair value through other comprehensive income (FVOCI) include trade receivables subject to lifetime expected credit losses, for which the simplified approach is applied. Loss allowances for debt instruments measured at FVOCI are recognized in profit or loss and reduce the amount that would otherwise have been recognized in other comprehensive income as a fair value loss. There have been no changes in the loss allowances for debt instruments measured at FVOCI.	Other financial assets measured at amortized cost include employee loans and other receivables. There have been no changes in the loss allowances for other financial assets measured at amortized cost. These financial assets are all considered to be of low credit risk, and therefore, loss allowances have been recognized based on 12-month expected credit losses.	

Disclosure of the Aging of Trade Receivables

2024 (Unit: KRW)

	Age								
	Current			Within 3 months			Over 3 months to 6 months		
	Carrying amount		Total	Carrying amount		Total	Carrying amount		Total
	Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss	
Trade receivables	434,581,197,048	0	434,581,197,048	14,217,549,615	0	14,217,549,615	0	0	0

2023 (Unit: KRW)

	Age								
	Current			Within 3 months			Over 3 months to 6 months		
	Carrying amount		Total	Carrying amount		Total	Carrying amount		Total
	Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss	
Trade receivables	199,850,894,120	0	199,850,894,120	4,829,918,031	0	4,829,918,031	287,704,286	0	287,704,286

Summary Information on Trade Receivables

2024 (Unit: KRW)

	Gross carrying amount	Accumulated impairment loss	Total
Trade receivables	448,798,746,663	0	448,798,746,663

2023 (Unit: KRW)

	Gross carrying amount	Accumulated impairment loss	Total
Trade receivables	204,968,516,437	0	204,968,516,437

Disclosure of Credit Risk Exposure

2024 (Unit: KRW)

		Maximum exposure to credit risk
Financial instruments	Cash and cash equivalents	238,812,527,045
	Short-term financial instruments	160,000,000,000
	Trade receivables	448,798,746,663
	Other receivables	14,798,939,241
Total		862,410,212,949

2023 (Unit: KRW)

		Maximum exposure to credit risk
Financial instruments	Cash and cash equivalents	184,417,149,183
	Short-term financial instruments	120,514,272,143
	Trade receivables	204,968,516,437
	Other receivables	16,187,211,363
Total		526,087,149,126

Disclosure of Maturity Analysis of Financial Liabilities

2024 (Unit: KRW)

	Within 1 year	1–5 years	Total
Trade payables, undiscounted cash outflows	153,443,980,008	0	153,443,980,008
Other payables, undiscounted cash outflows	74,079,028,424	35,294,221,795	109,373,250,219
Derivative financial liabilities, undiscounted cash outflows	13,642,987,958	0	13,642,987,958
Total	241,165,996,390	35,294,221,795	276,460,218,185

2023 (Unit: KRW)

	Within 1 year	1–5 years	Total
Trade payables, undiscounted cash outflows	97,600,609,220	0	97,600,609,220
Other payables, undiscounted cash outflows	26,743,219,489	1,825,320,000	28,568,539,489
Derivative financial liabilities, undiscounted cash outflows			
Total	124,343,828,709	1,825,320,000	126,169,148,709

Summary Disclosure of Financial Liabilities

2024 (Unit: KRW)

	Disclosure amount
Trade payables	153,443,980,008
Other payables	106,685,420,663
Derivative financial liabilities	13,642,987,958
Total	273,772,388,629

2023 (Unit: KRW)

	Disclosure amount
Trade payables	97,600,609,220
Other payables	28,568,539,489
Derivative financial liabilities	0
Total	126,169,148,709

Disclosure of Market Risk

Sensitivity analysis of market risks exposed as of 31 December

2024 (Unit: KRW)

	Risk		Total
	Market risk		
	Foreign exchange risk	Interest rate risk	
	Functional currency or presentation currency		
	USD		
Sensitivity analysis for each type of market risk	When the exchange rate increases or decreases by 5%,	Most of the Group's interest-bearing assets are fixed-rate instruments. Accordingly, the Group's profit and operating cash flows are substantially independent of changes in market interest rates.	As of the 31 December 2024 and 2023 reporting periods, if the KRW had strengthened or weakened against the Group's primary foreign currency exposure, USD, the Group's equity and profit or loss would have increased or decreased accordingly. This analysis assumes a reasonably possible change in foreign exchange rates as determined by the Group at the reporting date. In performing the sensitivity analysis, it was assumed that other variables, such as interest rates, remain unchanged. The impact of changes in the KRW/USD exchange rate on profit or loss (before income tax) as

			of 31 December 2024 and 2023 reporting periods is as follows
Increase in market variable – profit increase			
Increase in market variable – profit decrease	(210,632,053)		
Decrease in market variable – profit increase	210,632,053		
Decrease in market variable – profit decrease			

2023 (Unit: KRW)

	Risk		Total
	Market risk		
	Foreign exchange risk	Interest rate risk	
	Functional currency or presentation currency		
	USD		
Sensitivity analysis for each type of market risk	When the exchange rate increases or decreases by 5%,		
Increase in market variable – profit increase	3,822,375,228		
Increase in market variable – profit decrease			
Decrease in market variable – profit increase			
Decrease in market variable – profit decrease	(3,822,375,228)		

Details of Foreign Currency Financial Assets by Currency

2024 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Cash and cash equivalents	10,726,405,015	
						Trade receivables	341,179,382,357	
						Other receivables	5,911,502	
					Subtotal		351,911,698,874	
Total								1,470.00

2023 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate

Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Cash and cash equivalents	4,385,021,019	
						Trade receivables	103,830,408,652	
						Other receivables	141,642,860	
					Subtotal		108,357,072,531	
Total								1,289.40

Details of Foreign Currency Financial Liabilities by Currency

2024 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Trade payables	73,824,020,002	
						Other payables	79,492,671,119	
					Subtotal		153,316,691,121	
Total								1,470.00

2023 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Trade payables	27,800,620,954	
						Other payables	4,108,947,008	
					Subtotal		31,909,567,962	
Total								1,289.40

Disclosure of Capital Risk Management

2024 (Unit: KRW)

Qualitative information on the objectives, policies, and processes for managing capital	The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern, while minimizing the cost of capital, maximizing shareholder value, and maintaining an optimal capital structure. The Group manages its capital based on the debt-to-equity ratio, which is calculated as total liabilities divided by total equity in the statement of financial position. The Group’s debt-to-equity ratio at the end of the current and prior reporting periods is as follows
Total liabilities	420,215,422,354
Total equity	1,079,586,526,506
Debt-to-equity ratio	0.3892

2023 (Unit: KRW)

Qualitative information on the objectives, policies, and processes for managing capital	The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, while minimizing the cost of capital, maximizing shareholder value, and maintaining an optimal capital structure. The Group manages its capital based on the debt-to-equity ratio, which is calculated as total liabilities divided by total equity in the statement of financial position. The Group's debt-to-equity ratio at the end of the current and prior reporting periods is as follows
Total liabilities	228,301,207,505
Total equity	976,763,737,232
Debt-to-equity ratio	0.2337

8. Cash and Cash Equivalents (Consolidated)

Disclosure of Cash and Cash Equivalents

2024

(Unit: KRW)

Category	Disclosed amount
Demand deposit	18,312,527,045
Term deposit, etc.	220,500,000,000
Cash and cash equivalents	238,812,527,045

2023

(Unit: KRW)

Category	Disclosed amount
Demand deposit	7,617,149,183
Term deposit, etc.	176,800,000,000
Cash and cash equivalents	184,417,149,183

9. Trade and Other Receivables (Consolidated)

Disclosure of Trade and Other Receivables

2024 (Unit: KRW)

		Disclosed amount
Total trade and other current receivables		454,114,855,225
Total trade and other current receivables	Current trade receivables	448,798,746,663
	Current receivables	2,222,895,113
	Current accrued income	2,053,758,755
	Current loans	1,039,454,694

	Short-term deposits	0
Total trade and other non-current receivables		9,482,830,679
Total trade and other non-current receivables	Non-current trade receivables	0
	Long-tern receivables	0
	Non-current loans	2,182,302,305
	Non-current deposits	7,300,528,374

2023 (Unit: KRW)

		Disclosed amount
Total trade and other current receivables		208,387,174,760
Total trade and other current receivables	Current trade receivables	204,968,516,437
	Current receivables	473,025,343
	Current accrued income	1,406,382,701
	Current loans	1,539,250,279
	Short-term deposits	0
Total trade and other non-current receivables		12,768,553,040
Total trade and other non-current receivables	Non-current trade receivables	0
	Long-tern receivables	0
	Non-current loans	4,156,782,820
	Non-current deposits	8,611,770,220

10. Other Assets (Consolidated)

Disclosure of Other Assets
2024 (Unit: KRW)

		Disclosed amount
Other current assets		59,935,403,474
Other current assets	Current advanced payments	5,508,830,513
	Current prepaid expenses	54,426,572,961
Other non-current assets		52,660,261,648
Other non-current assets	Non-current advanced payments	4,169,868,654
	Non-current prepaid expenses	48,490,392,994

2023 (Unit: KRW)

		Disclosed amount
Other current assets		53,675,872,497
Other current assets	Current advanced payments	9,341,418,673
	Current prepaid expenses	44,334,453,824
Other non-current assets		8,994,436,051
Other non-current assets	Non-current advanced payments	7,432,141,290
	Non-current prepaid expenses	1,562,294,761

11. Inventories (Consolidated)

Disclosure of Inventories

2024 (Unit: KRW)

Category	Total carrying amount	Allowance for inventory valuation	Total carrying amount after allowance
Finished goods	82,031,918,754		
Work in process	184,855,124,846		
Merchandise	107,624,679		
Right to recover returned goods	21,168,050		
Total		(55,576,019,752)	211,439,816,577

2023 (Unit: KRW)

Category	Total carrying amount	Allowance for inventory valuation	Total carrying amount after allowance
Finished goods	102,920,500,226		
Work in process	307,978,195,302		
Merchandise	131,692,031		
Right to recover returned goods	21,168,050		
Total		(75,160,516,138)	335,891,039,471

Disclosure of Gains and Losses on Inventory Valuation

2024 (Unit: KRW)

	Cost of sales
Provision (reversal) for inventory valuation allowance	(19,584,496,386)
Loss on disposal of inventories	19,445,888,563
Cost of inventories recognized as expense during the period	1,269,135,000,000

2023 (Unit: KRW)

	Cost of sales
Provision (reversal) for inventory valuation allowance	37,064,855,477
Loss on disposal of inventories	12,255,967,546
Cost of inventories recognized as expense during the period	1,330,785,000,000

12. Investment in Associates and Joint Ventures (Consolidated)

Details of Investment in Associates and Joint Ventures

(Unit: KRW)							
Company name	Location	Major business activity	Month of account closing	31 December 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	4,878,207,481	49.00	4,633,299,873
FJ Composite Materials Co., LTD	Japan	Development, manufacturing, and sales of composite materials	5	28.70	9,433,095,810	28.70	9,349,396,602
Telechips(*)	Korea	Manufacture of electronic integrated circuit	12	10.26	30,625,461,885	10.26	31,172,893,079
LX Ventures New Technology Business Investment Fund No. 1	Korea	Investment in venture businesses	12	23.33	2,687,918,416	23.33	2,779,428,032
Total					47,624,683,592		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.

Changes in Investments in Associates and Joint Ventures

2024

(Unit: KRW)					
Company name	1 January 2024	Dividend income	Equity method profit (or loss)	Equity method capital changes	31 December 2024
Advance Power Device Technologies Co. ltd	4,633,299,873	-	244,907,608	-	4,878,207,481
FJ Composite Materials Co., LTD	9,349,396,602	(79,309,250)	(77,049,371)	240,057,829	9,433,095,810
Telechips Inc.	31,172,893,079	(303,000,000)	(135,472,689)	(108,958,505)	30,625,461,885
LX Ventures New Technology Business Investment Fund No. 1	2,779,428,032	-	(91,509,616)	-	2,687,918,416
Total	47,935,017,586	(382,309,250)	(59,124,068)	131,099,324	47,624,683,592

2023

(Unit: KRW)						
Company name	1 January 2023	Acquisition	Dividend income	Equity method profit (or loss)	Equity method capital changes	31 December 2023
Advance Power Device Technologies Co. ltd	4,403,026,225	-	-	230,273,648	-	4,633,299,873
FJ Composite Materials Co., LTD	7,296,459,614	2,887,050,000	(76,766,051)	(341,956,470)	(415,390,491)	9,349,396,602
Telechips Inc.	28,031,035,949	-	(196,950,000)	3,135,621,750	203,185,380	31,172,893,079
LX Ventures New Technology Business Investment Fund No. 1	-	2,800,000,000	-	(20,571,968)	-	2,779,428,032
Total	39,730,521,788	5,687,050,000	(273,716,051)	3,003,366,960	(212,205,111)	47,935,017,586

Financial Position of Investments in Associates and Joint Ventures

2024

(Unit: KRW)							
Company name	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total equity
Advance Power Device Technologies Co. ltd	9,798,106,889	453,411,241	10,251,518,130	120,374,289	175,618,369	295,992,658	9,955,525,472
FJ Composite Materials Co., Ltd	6,572,462,681	14,828,551,966	21,401,014,647	662,477,368	1,642,080,221	2,304,557,589	19,096,457,058
Telechips Inc.	129,914,676,004	244,935,326,262	374,850,002,266	92,628,555,250	70,099,983910	162,728,539,160	212,121,463,106
LX Ventures New Technology Business Investment Fund No. 1	6,044,069,433	5,543,505,511	11,587,574,944	67,924,590	-	67,924,590	11,519,650,354

2023

(Unit: KRW)							
Company name	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Total equity
Advance Power Device Technologies Co. ltd	9,249,698,987	466,682,574	9,716,381,561	130,403,831	130,263,702	260,667,533	9,455,714,028
FJ Composite Materials Co., Ltd	9,566,767,969	12,414,634,560	21,981,402,529	923,313,809	2,128,222,727	3,051,536,536	18,929,865,993
Telechips Inc.	131,543,105,078	206,994,822,571	338,537,927,649	71,781,056,213	50,354,417,634	122,135,473,847	216,402,453,802
LX Ventures New Technology Business Investment Fund No. 1	11,981,451,956	-	11,981,451,956	69,617,532	-	69,617,532	11,911,834,424

Profit or Loss Items of Investments in Associates and Joint Ventures

2024

(Unit: KRW)					
Company name	Revenue	Operating profit (loss)	Income tax expense	Profit (loss) for the period	Total comprehensive income
Advance Power Device Technologies Co. ltd	1,897,798,527	172,527,135	7,322,768	499,811,444	499,811,444
FJ Composite Materials Co., LTD	9,182,446,673	(1,700,538,599)	74,766,705	(48,198,396)	481,540,913
Telechips Inc.	183,461,949,297	5,714,223,544	901,400,848	(267,101,966)	(1,326,850,412)
LX Ventures New Technology Business Investment Fund No. 1	-	(392,184,070)	-	(392,184,070)	(392,184,070)

2023

(Unit: KRW)					
Company name	Revenue	Operating profit (loss)	Income tax expense	Profit (loss) for the period	Total comprehensive income
Advance Power Device Technologies Co. ltd	2,092,139,047	190,194,452	21,190,345	469,946,221	469,946,221
FJ Composite Materials Co., LTD	5,289,514,961	(2,815,012,821)	139,686,000	(1,705,974,390)	(2,683,419,734)
Telechips Inc.	190,595,124,313	15,793,364,071	(1,331,198,421)	27,840,124,696	29,337,364,459
LX Ventures New Technology Business Investment Fund No. 1	-	(88,165,576)	-	(88,165,576)	(88,165,576)

Reconciliation of the Carrying Amount of Interests in Associates and Joint Ventures

As of 31 December 2024

(Unit: KRW)						
Company name	Year-end net assets (a)	Group's ownership interest (b)	Share of net assets (a*b)	(+) Goodwill	(±) Others	Year-end carrying amount
Advance Power Device Technologies Co. ltd	9,955,525,472	49.00%	4,878,207,481	-	-	4,878,207,481
FJ Composite Materials Co., LTD	19,096,457,058	28.70%	5,481,002,363	3,497,883,760	454,209,687	9,433,095,810
Telechips Inc.	212,121,463,106	10.26%	21,770,718,276	7,006,232,223	1,848,511,386	30,625,461,88
LX Ventures New Technology Business Investment Fund No. 1	11,519,650,354	23.33%	2,687,918,416	-	-	2,687,918,416

As of 31 December 2023

(Unit: KRW)						
Company name	Year-end net assets (a)	Group's ownership interest (b)	Share of net assets (a*b)	(+) Goodwill	(±) Others	Year-end carrying amount
Advance Power Device Technologies Co. ltd	9,455,714,028	49.00%	4,633,299,873	-	-	4,633,299,873
FJ Composite Materials Co., LTD	18,929,865,993	28.70%	5,433,187,943	3,408,912,729	507,295,930	9,349,396,602
Telechips Inc.	216,402,453,802	10.26%	22,210,090,327	7,006,232,223	1,956,570,529	31,172,893,079
LX Ventures New Technology Business Investment Fund No. 1	11,911,834,424	23.33%	2,779,428,032	-	-	2,779,428,032

Fair Value of Interests in Associates with Quoted Market Prices

2024

Company name	Number of Shares Held (Unit: shares)	Market Price per Share (Unit: KRW)	Market Value (Unit: KRW)
Telechips Inc.	1,515,000	12,700	19,240,500,000

2023

Company name	Number of Shares Held (Unit: shares)	Market Price per Share (Unit: KRW)	Market Value (Unit: KRW)
Telechips Inc.	1,515,000	33,300	50,449,500,000

13. Tangible Assets (Consolidated)

Disclosure of Detailed Tangible Assets

2024 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Tangible assets		179,879,175,080	(67,844,295,989)	(813,617,466)	(92,049,148)	111,129,212,477
Tangible assets	Land	34,966,570,226	0	0	0	34,966,570,226
	Building	30,772,479,731	(4,501,557,898)	(69,499,544)	0	26,201,422,289
	Structures	1,310,147,116	(51,224,183)	0	(91,881,914)	1,167,041,019
	Machinery	69,355,049,610	(35,735,794,760)	(744,117,922)	(31,678)	32,875,105,250
	Equipment	26,029,379,188	(20,031,684,502)	0	(135,556)	5,997,559,130
	Other tangible assets	12,461,651,096	(7,524,034,646)	0	0	4,937,616,450
	CIP	4,983,898,113	0	0	0	4,983,898,113

2023 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Tangible assets		159,487,268,986	(54,721,533,882)	(184,150,842)	(153,845,793)	104,427,738,469
Tangible assets	Land	34,966,570,226	0	0	0	34,966,570,226
	Building	24,579,991,111	(3,628,493,645)	(29,562,901)	0	20,921,934,565
	Structures	464,190,636	(29,980,448)	0	(77,278,600)	356,931,588
	Machinery	54,585,016,199	(26,712,684,148)	0	(31,678)	27,872,300,373
	Equipment	25,303,668,525	(17,547,972,191)	0	(1,535,515)	7,754,160,819
	Other tangible assets	10,267,995,782	(6,802,403,450)	0	(75,000,000)	3,390,592,332
	CIP	9,319,836,507	0	(154,587,941)	0	9,165,248,566

Disclosure of Changes in Tangible Assets

2024 (Unit: KRW)

	Land	Building	Structure	Machinery	Equipment	Other tangible assets	CIP	Total
Beginning net book value	34,966,570,226	20,921,934,565	356,931,588	27,872,300,373	7,754,160,819	3,390,592,332	9,165,248,566	104,427,738,469
Acquisition	0	0	(19,482,000)	0	0	0	22,570,251,007	22,550,769,007
Disposal	0	0	0	(568,707,625)	(913,608)	34,999,000	0	(534,622,233)
Transfer from CIP	0	6,192,488,620	845,956,480	15,349,444,913	1,629,908,162	2,737,617,847	(26,755,416,022)	0
Depreciation	0	(873,064,253)	(16,365,049)	(9,115,883,392)	(3,420,778,772)	(1,271,144,888)	0	(14,697,236,354)
Other adjustments	0	(39,936,643)	0	(662,049,019)	35,182,529	45,552,159	3,814,562	(617,436,412)
Ending net book value	34,966,570,226	26,201,422,289	1,167,041,019	32,875,105,250	5,997,559,130	4,937,616,450	4,983,898,113	111,129,212,477

2023 (Unit: KRW)

	Land	Building	Structure	Machinery	Equipment	Other tangible assets	CIP	Total
Beginning net book value	35,051,121,092	18,006,736,063	167,116,232	29,258,994,163	8,925,158,233	4,049,404,810	9,712,038,822	105,170,569,415
Acquisition	0	3,507,964,029	(77,928,000)	3,830,675,499	2,430,912,010	646,346,182	14,658,476,606	24,996,446,326
Disposal	(84,550,866)	(45,909,682)	0	(14,095,325,117)	(103,273)	0	(26,500,000)	(14,252,388,938)
Transfer from CIP	0	229,551,300	275,890,636	14,518,736,985	0	0	(15,024,178,921)	0
Depreciation	0	(746,844,244)	(8,147,280)	(7,299,249,528)	(3,599,461,688)	(1,299,112,092)	0	(12,952,814,832)
Other adjustments	0	(29,562,901)	0	1,658,468,371	(2,344,463)	(6,046,568)	(154,587,941)	1,465,926,498
Ending net book value	34,966,570,226	20,921,934,565	356,931,588	27,872,300,373	7,754,160,819	3,390,592,332	9,165,248,566	104,427,738,469

Allocation of Depreciation Expenses by Function

2024 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Depreciation expenses, tangible assets	174,338,986	14,522,897,368	14,697,236,354
Depreciation included in research and development expenses		10,218,000,000	

2023 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Depreciation expenses, tangible assets	299,969,134	12,652,845,698	12,952,814,832
Depreciation included in research and development expenses		8,250,000,000	

14. Intangible Assets (Consolidated)

Disclosure of Detailed Intangible Assets

2024 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and	Accumulated impairment loss	Government grants	Total carrying amount

			amortization			
Total intangible assets and goodwill		145,526,655,463	(61,100,624,765)	(13,838,800)	(20,635,126)	84,391,556,772
Total intangible assets and goodwill	Goodwill	27,913,122,677	0	0	0	27,913,122,677
	Industrial property rights	14,495,063,049	(4,091,073,839)	0	(20,635,126)	10,383,354,084
	Software	51,681,127,789	(21,769,264,588)	0	0	29,91 1,863,201
	Membership rights	4,856,858,800	0	(13,838,800)	0	4,843,020,000
	Other intangible assets	36,014,460,000	(35,240,286,338)	0	0	774,173,662
	Intangible assets under construction	10,566,023,148	0	0	0	10,566,023,148

2023 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Total intangible assets and goodwill		126,309,670,351	(52,104,123,603)	(243,581,400)	(24,677,225)	73,937,288,123
Total intangible assets and goodwill	Goodwill	27,913,122,677	0	0	0	27,913,122,677
	Industrial property rights	10,186,296,724	(2,933,678,680)	0	(18,631,214)	7,233,986,830
	Software	27,941,164,417	(14,069,558,583)	0	0	13,871,605,834
	Membership rights	4,354,074,600	0	(243,581,400)	0	4,110,493,200
	Other intangible assets	35,114,460,000	(35,100,886,340)	0	0	13,573,660
	Intangible assets under construction	20,800,551,933	0	0	(6,046,011)	20,794,505,922

Disclosure of Changes in Intangible Assets and Goodwill

2024 (Unit: KRW)

		Goodwill	Industrial property rights	Software	Membership rights	Other intangible assets	Intangible assets under construction	Total
Changes in intangible assets and goodwill								
Changes in intangible assets and goodwill	Beginning net book value	27,913,122,677	7,233,986,830	13,871,605,834	4,110,493,200	13,573,660	20,794,505,922	73,937,288,123
	Acquisition	0	0	0	0	0	19,904,674,625	19,904,674,625
	Disposal	0	0	(11,319,003)	(289,473,200)	0	(127,514,702)	(428,306,905)
	Transfer from CIP	0	4,303,501,934	23,781,363,040	1,022,000,000	900,000,000	(30,006,864,974)	0
	Depreciation	0	(1,154,134,680)	(7,779,979,990)	0	(139,399,998)	0	(9,073,514,668)
	Other adjustments	0	0	50,193,320	0	0	1,222,277	51,415,597
	Ending net book value	27,913,122,677	10,383,354,084	29,911,863,201	4,843,020,000	774,173,662	10,566,023,148	84,391,556,772

2024 (Unit: KRW)

		Goodwill	Industrial property rights	Software	Membership rights	Other intangible assets	Intangible assets under construction	Total
Changes in intangible assets and goodwill								
Changes in intangible assets and goodwill	Beginning net book value	27,913,122,677	3,913,431,615	14,141,402,309	4,110,493,200	2,038,694,993	11,681,754,029	63,798,898,823
	Acquisition	0	30,085,964	1,281,745,210	0	0	16,240,696,054	17,552,527,228
	Disposal	0	(715,626)	0	0	0	(141,448,799)	(142,164,425)
	Transfer from CIP	0	4,081,004,170	2,904,997,018	0	0	(6,986,001,188)	0
	Depreciation	0	(789,819,293)	(4,457,091,825)	0	(2,025,121,333)	0	(7,272,032,451)
	Other adjustments	0	0	553,122	0	0	(494,174)	58,948
	Ending net book value	27,913,122,677	7,233,986,830	13,871,605,834	4,110,493,200	13,573,660	20,794,505,922	73,937,288,123

Allocation of Amortization Expenses of Intangible Assets by Function

2024 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Other amortization expenses, intangible assets excluding goodwill	47,916,105	9,025,598,563	9,073,514,668
Depreciation included in research and development expenses		2,134,000,000	

2023 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Other amortization expenses, intangible assets excluding goodwill	2,043,939,078	5,228,093,373	7,272,032,451
Depreciation included in research and development expenses		1,706,000,000	

Disclosure of Intangible Assets with Indefinite Useful Lives

	Goodwill and membership rights
For intangible assets with indefinite useful lives, the basis for determining such classification is disclosed as follows.	The Group classifies goodwill and membership rights among intangible assets as having indefinite useful lives and, therefore, does not amortize them. Together with intangible assets not yet available for use, such as intangible assets under construction, these assets are tested for impairment annually. No impairment losses were recognized on goodwill, intangible assets under construction, or membership rights during the current and prior reporting periods.

15. Lease (Consolidated)

Disclosure of Summary Information on Right-of-Use Assets

2024 (Unit: KRW)

	Asset					
	Building			Vehicles and transportation		
	Carrying amount		Total carrying amount	Carrying amount		Total carrying amount
	Acquisition	Accumulated depreciation		Acquisition	Accumulated depreciation	
Right-of-use assets	43,788,659,792	(6,963,347,283)	36,825,312,509	1,521,525,105	(725,824,361)	795,700,744

2023 (Unit: KRW)

	Asset					
	Building			Vehicles and transportation		
	Carrying amount		Total carrying amount	Carrying amount		Total carrying amount
	Acquisition	Accumulated depreciation		Acquisition	Accumulated depreciation	
Right-of-use assets	29,544,653,370	(8,767,397,893)	20,777,255,477	1,443,025,313	(708,029,444)	734,995,869

Disclosure of Right-of-Use Assets

2024 (Unit: KRW)

	Acquisition	Accumulated depreciation	Total carrying amount
Right-of-Use Assets	45,310,184,897	(7,689,171,644)	37,621,013,253

2023 (Unit: KRW)

	Acquisition	Accumulated depreciation	Total carrying amount
Right-of-Use Assets	30,987,678,683	(9,475,427,337)	21,512,251,346

Disclosure of Quantitative Information on Right-of-Use Assets

2024 (Unit: KRW)

	Building	Vehicles and transportation	Total assets
Beginning net book value	20,777,255,477	734,995,869	21,512,251,346
Acquisition	25,140,064,655	757,161,902	25,897,226,557
Decrease (Termination of contract)	(231,817,288)	(157,078,851)	(388,896,139)
Depreciation	(9,038,149,234)	(549,485,954)	(9,587,635,188)
Other increase or decrease	177,958,899	10,107,778	188,066,677
Ending net book value	36,825,312,509	795,700,744	37,621,013,253

2023 (Unit: KRW)

	Building	Vehicles and transportation	Total assets
Beginning net book value	16,197,163,290	812,514,404	17,009,677,694
Acquisition	13,477,773,869	634,601,647	14,112,375,516
Decrease (Termination of contract)	(244,150,646)	(147,511,726)	(391,662,372)
Depreciation	(8,595,524,278)	(563,136,991)	(9,158,661,269)
Other increase or decrease	(58,006,758)	(1,471,465)	(59,478,223)
Ending net book value	20,777,255,477	734,995,869	21,512,251,346

Amounts Recognized in Profit or Loss Relating to Finance Leases

2024 (Unit: KRW)

	Disclosed amount
Depreciation on licensed assets	9,587,635,188
Interest expense on lease liabilities	943,409,396
Expenses related to short-term leases and small assets lease	1,185,930,687
Lease cash outflows	10,981,000,000

2023 (Unit: KRW)

	Disclosed amount
Depreciation on licensed assets	9,158,661,269

Interest expense on lease liabilities	448,344,323
Expenses related to short-term leases and small assets lease	1,317,140,197
Lease cash outflows	10,166,000,000

16. Lease Liabilities (Consolidated)

Disclosure of Maturity Analysis of Lease Liabilities
2024 (Unit: KRW)

		Total lease liabilities
Period	Within 1 year	11,200,933,562
	1–5 years	29,108,444,229
	5–10 years	0
Total across all periods		40,309,377,790

2023 (Unit: KRW)

		Total lease liabilities
Period	Within 1 year	8,365,415,264
	1–5 years	14,633,944,121
	5–10 years	232,977,900
Total across all periods		23,232,337,285

17. Trade and Other Payables (Consolidated)

Trade and Other Payables
2024 (Unit: KRW)

		Disclosed amount
Total current payables		256,019,699,057
Total current payables	Current trade payables	153,443,980,008
	Other current accrued expenses	92,134,579,457
	Current dividends payable	80,315
	Current accrued liabilities	10,441,059,277
	Short-term deposits received	0
Total trade and other non-current payables		34,505,887,888
Total trade and other non-current payables	Non-current trade payables	0
	Other non-current accrued expenses	32,632,512,188
	Non-current accrued liabilities	0
	Non-current deposits received	1,873,375,700

2023 (Unit: KRW)

		Disclosed amount

Total current payables		142,064,896,746
Total current payables	Current trade payables	97,600,609,220
	Other current accrued expenses	32,483,691,098
	Current dividends payable	0
	Current accrued liabilities	11,980,596,428
	Short-term deposits received	0
Total trade and other non-current payables		1,825,320,000
Total trade and other non-current payables	Non-current trade payables	0
	Other non-current accrued expenses	0
	Non-current accrued liabilities	0
	Non-current deposits received	1,825,320,000

18. Other Liabilities (Consolidated)

Disclosure of Other Liabilities

2024 (Unit: KRW)

		Disclosed amount
Total current liabilities		50,866,220,497
Total current liabilities	Current advances customers	11,808,381,167
	Short-term deposits received	5,429,097,595
	Current provisions	33,628,741,735
Total non-current liabilities		6,623,694,362
Total non-current liabilities	Non-current provisions	3,165,135,898
	Long-term employee salary liabilities	3,458,558,464

2023 (Unit: KRW)

		Disclosed amount
Total current liabilities		32,386,322,421
Total current liabilities	Current advances customers	12,215,676,394
	Short-term deposits received	4,693,642,065
	Current provisions	15,477,003,962
Total non-current liabilities		5,657,823,936
Total non-current liabilities	Non-current provisions	2,498,715,452
	Long-term employee salary liabilities	3,159,108,484

19. Other Provisions (Consolidated)

Disclosure of Other Provisions

2024 (Unit: KRW)

	Provision for sales warrant	Provision for return	Provisions for restoration	Other (loss) provisions	Total
1 January	15,286,080,704	190,923,258	2,498,715,452	0	17,975,719,414

Establishment (reversal)	28,102,794,230	(28,342,261)	687,320,446	2,917,682,228	31,679,454,643
Paid	(12,840,396,424)	0	(20,900,000)	0	(12,861,296,424)
Exchange rate differences	30,548,478,510	162,580,997	3,165,135,898	2,917,682,228	36,793,877,633
Description of the nature of provisions	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.			

2023 (Unit: KRW)

	Provision for sales warrant	Provision for return	Provisions for restoration	Other (loss) provisions	Total
1 January	912,979,618	225,052,329	2,502,515,452		3,640,547,399
Establishment (reversal)	19,047,603,840	(34,129,071)	0		19,013,474,769
Paid	(4,674,502,754)	0	(3,800,000)		(4,678,302,754)
Exchange rate differences	15,286,080,704	190,923,258	2,498,715,452	0	17,975,719,414
Description of the nature of provisions	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.			

20. Capital and Capital Surplus (Consolidated)

Disclosure of the Classification of Shares

2024 (Unit: KRW)

	Common share
No. of authorized shares	50,000,000 shares
Amount per share	500
No. of shares issued	16,264,300 shares
Capital	8,132,150,000

2023 (Unit: KRW)

	Common share
No. of authorized shares	50,000,000 shares

Amount per share	500
No. of shares issued	16,264,300 shares
Capital	8,132,150,000

Disclosure of Capital Surplus

2024 (Unit: KRW)

		Disclosed amount
Capital surplus		76,343,170,500
Capital surplus	Share premium	66,560,617,129
	Other capital surplus	9,782,553,371

2023 (Unit: KRW)

		Disclosed amount
Capital surplus		76,343,170,500
Capital surplus	Share premium	66,560,617,129
	Other capital surplus	9,782,553,371

Disclosure of Accumulated Other Comprehensive Income

2024 (Unit: KRW)

	Disclosed amount
Gain (loss) on overseas business translation	1,224,674,040
Equity method capital changes	(692,268,112)
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)
Total	151,598,197

2023 (Unit: KRW)

	Disclosed amount
Gain (loss) on overseas business translation	131,256,512
Equity method capital changes	(823,367,436)
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)
Total	(1,072,918,655)

21. Retained Earnings (Consolidated)

Disclosure of Retained Earnings

2024 (Unit: KRW)

	Disclosed amount
Statutory reserves	4,066,075,000
Unappropriated retained earnings	990,893,532,809
Total	994,959,607,809

2023 (Unit: KRW)

	Disclosed amount
Statutory reserves	4,066,075,000
Unappropriated retained earnings	889,295,260,387
Total	893,361,335,387

Details of Changes in The Unappropriated Retained Earnings

2024 (Unit: KRW)

	Disclosed amount
Beginning balance	889,295,260,387
Dividends paid	(29,275,740,000)
Net income	130,509,153,930
Remeasurements of defined benefit plans	364,858,492
Ending amount	990,893,532,809

2023 (Unit: KRW)

	Disclosed amount
Beginning balance	862,600,963,865
Dividends paid	(73,189,350,000)
Net income	101,203,533,006
Remeasurements of defined benefit plans	(1,319,886,484)
Ending amount	889,295,260,387

22. Dividend (Consolidated)

Disclosure of Dividend

2024 (Unit: KRW)

	Annual dividend
Number of shares eligible for dividends	16,264,300
Par value per share	500
Dividend payout ratio	4.8
Dividend per share	2,400
Total dividends	39,034,320,000
Dividend per share paid on common stock	
Total dividends paid on common stock	
Dividend payout ratio (dividends/net income)	0.30
Information on dividends	It is scheduled to be submitted as an agenda item at the shareholders' meeting to be held on 20 March 2025.

2023 (Unit: KRW)

	Annual dividend
Number of shares eligible for dividends	16,264,300
Par value per share	500
Dividend payout ratio	3.6

Dividend per share	
Total dividends	
Dividend per share paid on common stock	1,800
Total dividends paid on common stock	29,275,740,000
Dividend payout ratio (dividends/net income)	0.29
Information on dividends	

23. Earnings Per Share (Consolidated)

Basic Earnings Per Share

2024 (Unit: KRW)

	Common share
Earnings per ordinary share	130,509,153,930
Weighted average No. of common shares outstanding	16,264,300
Basic earnings (losses) per share	8,024

2023 (Unit: KRW)

	Common share
Earnings per ordinary share	101,203,533,006
Weighted average No. of common shares outstanding	16,264,300
Basic earnings (losses) per share	6,222

Calculation of Weighted Average No. of Common Shares Outstanding

2024 (Unit: KRW)

	Common share
No. of shares issued	16,264,300 shares
No. of treasury shares	0
No. of outstanding ordinary shares	16,264,300 shares
Weight	366 days/ 366 days
Weighted average No. of common shares outstanding	16,264,300 shares

2023 (Unit: KRW)

	Common share
No. of shares issued	16,264,300 shares
No. of treasury shares	0
No. of outstanding ordinary shares	16,264,300 shares
Weight	365 days/ 365 days
Weighted average No. of common shares outstanding	16,264,300 shares

24. Finance Income and Costs (Consolidated)

Finance Income and Costs

2024 (Unit: KRW)

		Disclosed amount
Finance income		19,737,759,357
Finance income	Interest income	17,671,738,990
	Foreign exchange gains	157,569,388
	Foreign currency translation gains	248,248,162
	Gains on disposal of derivatives	1,660,202,817
Finance cost		33,787,507,774
Finance cost	Interest expenses	1,803,067,901
	Foreign exchange losses	151,661,970
	Foreign currency translation loss	0
	Losses on disposal of trade receivables	17,634,608,315
	Losses on disposal of derivatives	555,181,630
	Losses on valuation of derivatives	13,642,987,958

2023 (Unit: KRW)

		Disclosed amount
Finance income		12,985,625,309
Finance income	Interest income	11,362,895,317
	Foreign exchange gains	23,519
	Foreign currency translation gains	1,622,706,473
	Gains on disposal of derivatives	0
Finance cost		24,997,658,777
Finance cost	Interest expenses	448,344,323
	Foreign exchange losses	0
	Foreign currency translation loss	1,283,532
	Losses on disposal of trade receivables	24,548,030,922
	Losses on disposal of derivatives	0
	Losses on valuation of derivatives	0

25. Other Non-Operating Income and Expenses

Other Non-Operating Income and Expenses

2024 (Unit: KRW)

		Disclosed amount
Non-operating income		43,258,740,760
Non-operating income	Gain on foreign exchange (non-financial)	22,358,881,407

	Gain on foreign currency translation (non-financial)	20,239,481,853
	Gain on disposal of tangible assets	53,732,231
	Gain on disposal of intangible assets	530,054,073
	Miscellaneous income	76,591,196
Non-operating expenses		28,230,967,390
Non-operating expenses	Loss on foreign exchange (non-financial)	19,192,162,224
	Loss on foreign currency translation (non-financial)	7,722,336,408
	Loss on disposal of tangible assets	362,380,368
	Loss on impairment of tangible assets	784,054,565
	Loss on disposal of intangible assets	138,833,705
	Donations	25,164,856
	Miscellaneous losses	6,035,264

2023 (Unit: KRW)

		Disclosed amount
Non-operating income		31,252,845,566
Non-operating income	Gain on foreign exchange (non-financial)	25,143,172,788
	Gain on foreign currency translation (non-financial)	681,183,726
	Gain on disposal of tangible assets	5,398,986,133
	Gain on disposal of intangible assets	1,000
	Miscellaneous income	29,501,919
Non-operating expenses		24,993,326,366
Non-operating expenses	Loss on foreign exchange (non-financial)	22,719,034,054
	Loss on foreign currency translation (non-financial)	1,679,365,450
	Loss on disposal of tangible assets	108,694,679
	Loss on impairment of tangible assets	184,150,842
	Loss on disposal of intangible assets	142,164,425
	Donations	72,611,580
	Miscellaneous losses	87,305,336

26. Revenue from Contracts with Customers and Related Contract Assets and Other Liabilities (Consolidated)

Disclosure of Summary of Revenue

2024 (Unit: KRW)

		Disclosed amount
Sales		
Sales	Revenue from contracts with customers	1,865,549,538,499
	Rental income	72,000,000

	Operating revenue	1,865,621,538,499

2023 (Unit: KRW)

		Disclosed amount
Sales		
Sales	Revenue from contracts with customers	1,901,348,975,029
	Rental income	96,000,000
	Operating revenue	1,901,444,975,029

Disclosure of the Disaggregation of Revenue from Contracts with Customers

2024 (Unit: KRW)

			Revenue from Contracts with Customers
Region	Domestic		306,409,793,557
	Foreign	China	1,009,282,616,266
		Vietnam	363,700,530,123
		Taiwan	133,809,215,180
		Japan	35,402,197,113
		Others	16,945,186,260
Total			1,865,549,538,499

2023 (Unit: KRW)

			Revenue from Contracts with Customers
Region	Domestic		274,246,602,061
	Foreign	China	919,807,508,314
		Vietnam	437,478,806,718
		Taiwan	217,709,080,229
		Japan	32,185,267,417
		Others	19,921,710,290
Total			1,901,348,975,029

Disclosure of revenue from contracts with customers by products and services

2024 (Unit: KRW)

		Revenue from contracts with customers
Products and services	Product sales	1,853,649,894,392
	Service revenue	10,714,032,131
	Other revenue	1,185,611,976
	Merchandise sales	0
Total		1,865,549,538,499

2023 (Unit: KRW)

		Revenue from contracts with customers
Products and services	Product sales	1,898,132,752,974
	Service revenue	2,539,935,755
	Other revenue	652,330,130
	Merchandise sales	23,956,170
Total		1,901,348,975,029

Disclosure of revenue from contracts with customers by timing of revenue recognition

2024 (Unit: KRW)

		Revenue from contracts with customers
Timing of transfer of goods or services	Goods or services transferred at a point in time	1,865,549,538,499
	Goods or services transferred over time	0
Total		1,865,549,538,499

2023 (Unit: KRW)

		Revenue from contracts with customers
Timing of transfer of goods or services	Goods or services transferred at a point in time	1,901,348,975,029
	Goods or services transferred over time	0
Total		1,901,348,975,029

Disclosure of assets recognized from contract costs or costs to fulfill contracts with customers

2024 (Unit: KRW)

	Prepaid expenses
Assets recognized from contract acquisition or fulfillment costs	6,500,896,206

2023 (Unit: KRW)

	Prepaid expenses
Assets recognized from contract acquisition or fulfillment costs	7,199,630,740

Disclosure of Contract Liabilities

2024 (Unit: KRW)

	Prepaid expenses
Contract liabilities	11,808,381,167

2023 (Unit: KRW)

	Prepaid expenses
Contract liabilities	12,215,669,884

Revenue recognized from contract liabilities carried forward from the prior period

2024 (Unit: KRW)

Products and services	Product sales	1,069,740,066
	Service revenue	5,539,473,818
Total		6,609,213,884

2023 (Unit: KRW)

Products and services	Product sales	4,115,585,618
	Service revenue	716,940,000
Total		4,832,525,618

27. Selling and Administrative Expenses (Consolidated)

Disclosure of Selling and Administrative Expenses

2024 (Unit: KRW)

		Disclosed amount
Selling and administrative expenses		448,800,685,957
Selling and administrative expenses	Salaries	48,419,933,932
	Bonuses	33,206,709,936
	Retirement benefits	5,598,795,229
	Employee benefits	16,918,039,519
	Travel and transportation expenses	3,455,844,657
	Communication expenses	795,563,814
	Supplies expenses	1,017,712,785
	Taxes and dues	1,153,115,580
	Rental expenses	2,855,187,382
	Commission fees	45,385,541,164
	Depreciation	13,670,940,636
	Repair and maintenance expenses	157,746,549
	Insurance premiums	3,404,458,742
	Entertainment expenses	1,451,645,724
	Advertising and promotion expenses	580,717,180
	Meeting expenses	60,910
	Books and printing expenses	30,744,540
	Transportation expenses	937,469,551
	Building rental expenses	308,505,811
	Training expenses	1,387,271,534
	Vehicle maintenance expenses	556,490,419
	Utilities expenses	960,368,241
	Transfer (reversal) of provisions	27,964,413,952

	Research and development expenses	231,691,885,237
	Amortization of intangible assets	6,891,522,933

2023 (Unit: KRW)

		Disclosed amount
Selling and administrative expenses		404,941,181,710
Selling and administrative expenses	Salaries	47,847,990,062
	Bonuses	25,748,675,969
	Retirement benefits	4,511,002,699
	Employee benefits	17,387,327,364
	Travel and transportation expenses	3,242,347,067
	Communication expenses	828,416,162
	Supplies expenses	956,896,505
	Taxes and dues	1,208,311,461
	Rental expenses	2,936,967,600
	Commission fees	34,790,238,244
	Depreciation	13,560,863,740
	Repair and maintenance expenses	244,713,766
	Insurance premiums	3,459,011,730
	Entertainment expenses	1,343,786,583
	Advertising and promotion expenses	581,699,204
	Meeting expenses	0
	Books and printing expenses	24,263,269
	Transportation expenses	918,402,407
	Building rental expenses	905,695,563
	Training expenses	945,041,406
	Vehicle maintenance expenses	476,264,695
	Utilities expenses	678,868,987
	Transfer (reversal) of provisions	19,047,603,840
	Research and development expenses	219,774,976,871
	Amortization of intangible assets	3,521,816,516

28. Disclosure of Expenses by Nature (Consolidated)

Disclosure of Classification of Expenses by Nature

2024 (Unit: KRW)

	Disclosed amount
Changes in inventories	124,451,222,894
Employee benefits expense	215,533,830,803
Depreciation and amortization	33,358,386,210
Subcontracting expenses, etc.	1,118,612,428,147

Processing expenses	2,254,282,221
Research and development expenses	104,415,084,716
Rental expenses	2,855,187,382
Commission fees	52,578,366,053
Transportation expenses	5,040,995,195
Travel and transportation expenses	5,959,358,931
Provision (reversal) for sales warranty	28,102,794,230
Building expenses	308,505,811
Others	5,074,292,090
Total expenses by nature	1,698,544,734,683

2023 (Unit: KRW)

	Disclosed amount
Changes in inventories	146,665,395,764
Employee benefits expense	198,593,377,182
Depreciation and amortization	29,383,508,840
Subcontracting expenses, etc.	1,212,462,026,214
Processing expenses	2,579,467,486
Research and development expenses	99,056,843,643
Rental expenses	2,936,967,600
Commission fees	40,891,412,484
Transportation expenses	5,731,098,202
Travel and transportation expenses	5,304,352,012
Provision (reversal) for sales warranty	19,047,603,840
Building expenses	905,695,563
Others	8,851,569,860
Total expenses by nature	1,772,409,318,690

29. 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.

Disclosure of Defined Benefit Obligations

2024 (Unit: KRW)

	Defined benefit pension plan

Present value of defined benefit obligation	76,275,678,979
Fair value of plan assets	(82,070,802,814)
Defined benefit obligations	(5,795,123,835)

2023 (Unit: KRW)

	Defined benefit pension plan
Present value of defined benefit obligation	77,449,337,342
Fair value of plan assets	(87,138,882,974)
Defined benefit obligations	(9,689,545,632)

Disclosure on Actuarial Assumptions

2024 (Unit: KRW)

	Defined Benefit Pension Plan
Discount rate	0.0445
Future salary increase rate	0.0384
Description of key actuarial assumptions and methods used to calculate the present value of defined benefit obligations	The discount rate is determined based on corporate bond yields at the end of the reporting period with credit ratings and maturities similar to those of the defined benefit obligation. The future salary increase rate is determined by considering the Group's historical salary scale index, inflation, and wage agreements.

2023 (Unit: KRW)

	Defined Benefit Pension Plan
Discount rate	0.0450
Future salary increase rate	0.0441
Description of key actuarial assumptions and methods used to calculate the present value of defined benefit obligations	The discount rate is determined based on corporate bond yields at the end of the reporting period with credit ratings and maturities similar to those of the defined benefit obligation. The future salary increase rate is determined by considering the Group's historical salary scale index, inflation, and wage agreements.

Disclosure of Net Defined Benefit Obligations (Assets)

2024 (Unit: KRW)

	Present value of defined benefit obligations	Plan assets
Beginning defined benefit obligations (assets)	77,449,337,342	(87,138,882,974)

Current service cost, net defined benefit obligations (assets)			(7,000,000,000)
Interest cost (income), net defined benefit obligations (assets)		11,897,558,405	
Remeasurement gains (losses) on net defined benefit obligations (assets)		3,289,924,950	(3,717,000,196)
Remeasurement gains (losses) on net defined benefit obligations (assets)	Remeasurement gains (losses) on net defined benefit obligations (assets)		
	Actuarial loss (gain) arising from changes in demographic assumptions, net defined benefit liability (asset)	80,086,999	
	Actuarial loss (gain) arising from changes in financial assumptions, net defined benefit liability (asset)	3,564,510,852	
	Remeasurement gain (loss) on net defined benefit liability (asset	(4,623,597,430)	
Benefits paid under the plan, net defined benefit liabilities (assets)			504,541,202
Intercompany transfers		(15,416,694,440)	15,055,332,975
Year-end Net Defined Benefit Liability (Asset)		34,552,301	225,206,179
Ending defined benefit obligations (assets)		76,275,678,979	(82,070,802,814)

2023 (Unit: KRW)

		Present value of defined benefit obligations	Plan assets
Beginning defined benefit obligations (assets)		68,723,266,014	(87,024,709,511)
Current service cost, net defined benefit obligations (assets)			(3,000,000,000)
Interest cost (income), net defined benefit obligations (assets)		10,886,120,460	
Remeasurement gains (losses) on net defined benefit obligations (assets)		3,469,933,790	(4,435,970,182)
Remeasurement gains (losses) on net defined benefit obligations (assets)	Remeasurement gains (losses) on net defined benefit obligations (assets)	57,342,999	
	Actuarial loss (gain) arising from changes in demographic assumptions, net defined benefit liability (asset)	2,428,173,605	
	Actuarial loss (gain) arising from changes in financial assumptions, net defined benefit liability (asset)	(640,831,156)	
	Remeasurement gain (loss) on net defined benefit liability (asset		(128,318,108)
Benefits paid under the plan, net defined benefit liabilities (assets)		(7,602,307,650)	7,347,532,111
Intercompany transfers		127,639,280	102,582,716
Year-end Net Defined Benefit Liability (Asset)		77,449,337,342	(87,138,882,974)
Ending defined benefit obligations (assets)			

Disclosure of Retirement Benefit Expenses Included in Gain or Loss in Relation to Defined Benefit Plan

2024 (Unit: KRW)

		Disclosed amount
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan		
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan	Current service cost	11,897,558,405
	Net interest cost	(427,075,246)
	Others	225,206,179
	Total retirement benefit expenses, defined benefit plans	11,695,689,338

2023 (Unit: KRW)

		Disclosed amount
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan		
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan	Current service cost	2,798,163,937
	Net interest cost	(106,768,810)
	Others	113,689,411
	Total retirement benefit expenses, defined benefit plans	2,805,084,538

Disclosure of the Fair Value of Plan Assets

2024 (Unit: KRW)

	Defined benefit pension plan
Short-term financial instruments, etc.	82,070,802,814

2023 (Unit: KRW)

	Defined benefit pension plan
Short-term financial instruments, etc.	87,138,882,974

Disclosure of Sensitivity Analysis of Actuarial Assumptions

(Unit: KRW)

	Actuarial assumption on discount rate	Actuarial assumption on future salary increase rate	Total
Reasonably possible increase in actuarial assumptions within a range	0.01	0.01	
Increase (decrease) in defined benefit obligation resulting from a reasonably possible increase in actuarial assumptions	(6,467,758,940)	7,383,770,776	
Reasonably possible decrease in actuarial assumptions within a range	0.01	0.01	
Increase (decrease) in defined benefit obligation resulting from a reasonably	7,506,442,124	(6,491,927,666)	

possible decrease in actuarial assumptions			
Description of the methods and assumptions used in performing the sensitivity analysis of actuarial assumptions			The sensitivity analysis does not take into account the variation of all expected future cash flows under the plan; however, it provides an approximation of the sensitivity to the assumptions used.
Description of the Methods and Changes in Assumptions Used in Performing the Sensitivity Analysis of Actuarial Assumptions			As of 31 December 2024 and 2023, the weighted average duration of the defined benefit obligation was 9.6 years and 8.9 years, respectively.

Opening Balance of Remeasurement Reserve

2024 (Unit: KRW)

	Defined benefit pension plan
Opening balance of remeasurement reserve	8,142,738,466
Remeasurement gain (loss) on defined benefit plans (before tax, other comprehensive income)	(474,458,377)
Income tax effect of current year changes	109,599,885
Closing balance of remeasurement reserve	7,777,879,974

2023 (Unit: KRW)

	Defined benefit pension plan
Opening balance of remeasurement reserve	6,822,851,982
Remeasurement gain (loss) on defined benefit plans (before tax, other comprehensive income)	1,716,367,340
Income tax effect of current year changes	(396,480,856)
Closing balance of remeasurement reserve	8,142,738,466

30. Income Tax Expense (Consolidated)

Major Components of Income Tax Expense (Benefit)

2024 (Unit: KRW)

	Disclosed amount
Current income tax expense (benefit)	40,925,489,527
Adjustments for current income tax of prior periods	548,737,416
Deferred income tax expense (benefit) arising from temporary differences	(3,878,076,287)
Deferred income tax related to items recognized outside profit or loss	(109,599,885)
Total income tax expense (benefit)	37,486,550,771

2023 (Unit: KRW)

	Disclosed amount
Current income tax expense (benefit)	37,616,983,918
Adjustments for current income tax of prior periods	(83,294,522)
Deferred income tax expense (benefit) arising from temporary differences	(12,847,194,227)
Deferred income tax related to items recognized outside profit or loss	396,480,856
Total income tax expense (benefit)	25,082,976,025

Current and Deferred Income Taxes Related to Items Directly Deducted from or Credited to Equity

2024 (Unit: KRW)

	Disclosed amount
Income tax related to remeasurements of defined benefit plans included in other comprehensive income	(109,599,885)
Income tax expense (benefit) directly recognized in equity	(109,599,885)

2023 (Unit: KRW)

	Disclosed amount
Income tax related to remeasurements of defined benefit plans included in other comprehensive income	396,480,856
Income tax expense (benefit) directly recognized in equity	396,480,856

Reconciliation to the Amount Calculated by Applying the Applicable Tax Rate to Accounting Profit

2024 (Unit: KRW)

	Disclosed amount
Profit before income tax	167,995,704,701
Applicable tax rate	0.2293
Tax expense at the applicable tax rate	38,514,445,422
Non-taxable income	(38,402,315)
Non-deductible expenses	178,985,058
Tax credits	(6,353,675,934)
Adjustments recognized in the current period relating to prior period income taxes	548,737,416
Changes in unrecognized deferred income taxes	0
Others (including tax rate changes, etc.)	4,636,461,124
Income tax expense (benefit)	37,486,550,771
Average effective tax rate	0.2231

2023 (Unit: KRW)

	Disclosed amount
Profit before income tax	126,286,509,031
Applicable tax rate	0.2228
Tax expense at the applicable tax rate	28,136,844,126
Non-taxable income	(30,883,184)
Non-deductible expenses	243,011,185
Tax credits	(3,962,427,263)
Adjustments recognized in the current period relating to prior period income taxes	(83,294,522)
Changes in unrecognized deferred income taxes	5,472,527
Others (including tax rate changes, etc.)	774,253,156
Income tax expense (benefit)	25,082,976,025
Average effective tax rate	0.1986

Disclosure of Temporary Differences, Unused Tax Losses, and Unused Tax Credits

2024 (Unit: KRW)

			Opening deferred tax liabilities (assets)	Recognized in profit or loss	Recognized in other comprehensive income	Closing deferred tax liabilities (assets)
Temporary differences, unused tax losses, and unused tax credits	Temporary differences	Accrued income	324,712,050	149,706,222	0	474,418,272
		Net defined benefit liability (asset)	2,204,196,832	(1,194,991,126)	109,599,885	1,118,805,591
		Impairment loss on intangible assets	(56,267,303)	53,070,540	0	(3,196,763)
		Inventory valuation loss	(17,331,658,369)	4,518,459,107	0	(12,813,199,262)
		Excess depreciation over tax limits	(745,797,695)	(308,066,538)	0	(1,053,864,233)
		Impairment loss on property, plant and equipment	(35,709,814)	35,709,814	0	0
		Accrued expenses	(2,642,188,462)	527,214,798	0	(2,114,973,664)
		Prepaid expenses	(7,138,009)	4,537,089	0	(2,600,920)
		Provisions	(4,152,391,184)	(4,300,699,672)	0	(8,453,090,856)
		Financial assets measured at fvoci	(115,500,000)	0	0	(115,500,000)
		Long-term employee benefit liabilities	(729,754,060)	(69,172,945)	0	(798,927,005)
		Derivative financial liabilities	0	(3,151,530,218)		(3,151,530,218)
		Others	372,889,578	(251,913,243)	0	120,976,335
Total			(22,914,606,436)	(3,987,676,172)	109,599,885	(26,792,682,723)

2023 (Unit: KRW)

			Opening deferred tax liabilities	Recognized in profit or loss	Recognized in other	Closing deferred tax liabilities (assets)

			(assets)		comprehensive income	
Temporary differences, unused tax losses, and unused tax credits	Temporary differences	Accrued income	547,681,094	(222,969,044)	0	324,712,050
		Net defined benefit liability (asset)	3,869,991,509	(1,269,313,821)	(396,480,856)	2,204,196,832
		Impairment loss on intangible assets	(56,267,303)	0	0	(56,267,303)
		Inventory valuation loss	(8,761,957,455)	(8,569,700,914)	0	(17,331,658,369)
		Excess depreciation over tax limits	(1,866,253,683)	1,120,455,988	0	(745,797,695)
		Impairment loss on property, plant and equipment	(55,393,429)	19,683,615	0	(35,709,814)
		Accrued expenses	(2,258,084,389)	(384,104,073)	0	(2,642,188,462)
		Prepaid expenses	(18,747,748)	1 1,609,739	0	(7,138,009)
		Provisions	(840,966,449)	(3,311,424,735)	0	(4,152,391,184)
		Financial assets measured at fvoci	(115,500,000)	0	0	(115,500,000)
		Long-term employee benefit liabilities	(606,330,243)	(123,423,817)	0	(729,754,060)
		Derivative financial liabilities				0
		Others	94,415,887	278,473,691	0	372,889,578
Total			(10,067,412,209)	(12,450,713,371)	(396,480,856)	(22,914,606,436)

Temporary Differences for Which Deferred Tax Assets Have Not Been Recognized

2024 (Unit: KRW)

	Temporary differences, unused tax losses, and unused tax credits		
	Temporary differences		
	Subsidiary investments	Carryforward amount	Associates investment
Temporary differences for which deferred tax assets have not been	0	807,301,385	172,827,017
Temporary differences related to investments in subsidiaries, associates, and joint ventures for which deferred tax liabilities have not been	(7,979,879,286)	0	(5,859,367,332)

2023 (Unit: KRW)

	Temporary differences, unused tax losses, and unused tax credits		
	Temporary differences		
	Subsidiary investments	Carryforward amount	Associates investment

Temporary differences for which deferred tax assets have not been		807,301,385	172,827,017
Temporary differences related to investments in subsidiaries, associates, and joint ventures for which deferred tax liabilities have not been	(5,182,558,073)		(5,859,367,332)

When the deductible temporary differences exceed the taxable temporary differences reversing in the same period, the recognition of deferred tax assets depends on the availability of future taxable income. In cases where the entity has incurred losses in the jurisdiction related to the deferred tax assets, a description is required for the basis of recognizing such deferred tax assets.
As of the end of the current reporting period, the Group has determined that it is not probable that the temporary differences related to the above investments will reverse in the foreseeable future.

Expected Timing of Recovery of Deferred Tax Assets and Settlement of Deferred Tax Liabilities
2024 (Unit: KRW)

	Within 1 year	After 1 year	Total
Deferred tax assets	27,925,633,231	22,448,554,595	50,374,187,826
Deferred tax liabilities	(501,261,133)	(23,080,243,970)	(23,581,505,103)
Net deferred tax assets (liabilities)			26,792,682,723

2023 (Unit: KRW)

	Within 1 year	After 1 year	Total
Deferred tax assets	25,215,560,775	18,889,575,294	44,105,136,069
Deferred tax liabilities	(356,871,020)	(20,833,658,613)	(21,190,529,633)
Net deferred tax assets (liabilities)			22,914,606,436

Description of the Amount of Potential Income Tax Effects that Can Be Determined Practically
Based on the Group's consolidated revenue for the preceding full fiscal year, the revenue threshold for Pillar Two income tax is met; however, the Group qualifies for an exemption from the application of Pillar Two. Accordingly, Pillar Two has no impact on the Group's income taxes, and no current income tax related to this matter has been recognized in the current period.

31. Statement of Cash Flow (Consolidated)

Cash Flows from Operating Activities

2024 (Unit: KRW)

		Disclosed amount
Adjustments for reconciliation of net income		
Adjustments for reconciliation of net income	Income tax expense	37,486,550,771
	Depreciation	24,284,871,542
	Allowance for inventory valuation	(19,584,496,386)
	Reversal (provision) of right to recover returned goods	24,067,352
	Loss on disposal of inventories	19,445,888,563
	Expense for return liabilities	(28,342,261)
	Gain on disposal of tangible assets	(53,732,231)
	Gain on disposal of intangible assets	(530,054,073)
	Loss on disposal of tangible assets	362,380,368
	Loss on disposal of intangible assets	138,833,705
	Amortization of intangible assets	784,054,565
	Retirement benefits	9,073,514,668
	Gain on foreign currency translation	11,695,689,338
	Loss on foreign currency translation	(20,487,730,015)
	Interest income	7,722,336,408
	Interest expense	(17,671,738,990)
	Sales warranty liabilities	1,803,067,901
	Provision for other (loss) liabilities	28,102,794,230
	Long-term employee benefits	2,917,682,228
	Gain on valuation of derivatives	419,649,980
	Loss on valuation of derivatives	13,642,987,958
	Reimbursement of allowance	(138,380,278)
	Equity method profit (loss)	59,124,068
	Other adjustments for reconciliation of net income	(159,420)
	Adjustments for reconciliation of net income	99,468,859,991
Adjustment of changes in operating assets and liabilities		
Adjustment of changes in operating assets and liabilities	Trade receivables	(223,499,635,019)
	Other payables	(1,740,224,989)
	Other assets	34,688,576,403
	Inventories	124,565,763,365
	Trade payables	53,261,408,935
	Other liabilities	(12,533,930,485)
	Other payables	(44,169,449)
	Long-term employee salary liabilities	(120,200,000)
	Net defined benefit obligations	(7,326,809,164)

	Other financial liabilities	0
	Changes in operating assets and liabilities	(32,749,220,403)

2023 (Unit: KRW)

		Disclosed amount
Adjustments for reconciliation of net income		
Adjustments for reconciliation of net income	Income tax expense	25,082,976,025
	Depreciation	22,111,476,389
	Allowance for inventory valuation	37,064,855,477
	Reversal (provision) of right to recover returned goods	33,416,878
	Loss on disposal of inventories	12,255,967,546
	Expense for return liabilities	(34,129,071)
	Gain on disposal of tangible assets	(5,398,986,133)
	Gain on disposal of intangible assets	(1,000)
	Loss on disposal of tangible assets	108,694,679
	Loss on disposal of intangible assets	142,164,425
	Loss on impairment of tangible assets	184,150,842
	Amortization of intangible assets	7,272,032,451
	Retirement benefits	10,022,666,784
	Gain on foreign currency translation	(2,303,890,199)
	Loss on foreign currency translation	1,680,648,982
	Interest income	(11,362,895,317)
	Interest expense	448,344,323
	Sales warranty liabilities	19,047,603,840
	Provision for other (loss) liabilities	0
	Long-term employee benefits	601,702,237
	Loss on valuation of derivatives	0
	Reimbursement of allowance	0
	Equity method profit (loss)	(3,003,366,960)
	Other adjustments for reconciliation of net income	4,778,914
	Adjustments for reconciliation of net income	113,958,211,112
Adjustment of changes in operating assets and liabilities		
Adjustment of changes in operating assets and liabilities	Trade receivables	(63,313,541,766)
	Other payables	126,740,341
	Other assets	6,337,942,875
	Inventories	97,311,155,863
	Trade payables	(98,171,449,762)
	Other liabilities	2,652,946,910
	Other payables	(14,315,979,787)
	Long-term employee salary liabilities	(67,400,000)

	Net defined benefit obligations	(3,127,136,259)
	Other financial liabilities	562,687,778
	Changes in operating assets and liabilities	(72,004,033,807)

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 2024 and 2023 are as follows.

Significant Transactions That Do Not Involve Cash Inflows and Outflows

2024 (Unit: KRW)

	Disclosed amount
Transfer for tangible assets in progress	26,755,416,022
Transfer for intangible assets in progress	29,186,928,434
Increase in right-of-use assets due to restoration obligations	825,700,724
Increase (decrease) in payables relating to acquisition of tangible and intangible assets	421,310,867
Increase (decrease) in receivables related to tangible assets	(197,500,000)
Recognition of lease liabilities and licensed assets under the lease agreement	25,071,525,833
Reclassification of lease liabilities to current portion	11,037,682,329
Reclassification of loans to current loans	779,095,543

2023 (Unit: KRW)

	Disclosed amount
Transfer for tangible assets in progress	15,024,178,921
Transfer for intangible assets in progress	6,986,001,188
Increase in right-of-use assets due to restoration obligations	0
Increase (decrease) in payables relating to acquisition of tangible and intangible assets	(10,120,786,368)
Increase (decrease) in receivables related to tangible assets	0
Recognition of lease liabilities and licensed assets under the lease agreement	14,112,375,516
Reclassification of lease liabilities to current portion	7,966,900,952
Reclassification of lease receivables to current portion	570,314,176
Reclassification of loans to current loans	1,304,964,586

Disclosure of Information to Enable Users of Financial Statements to Evaluate Changes in Liabilities Arising from Financing Activities

Disclosure of Reconciliation of Liabilities Arising from Financing Activities

2024 (Unit: KRW)

		1 January 2024	Cash flow from financial activities	Other changes from financial activities	31 December 2024
Liabilities arising from financial activities	Dividends payable	0	(29,275,659,685)	29,275,740,000	80,315
	Lease liabilities	21,124,455,534	(8,851,249,721)	24,854,502,279	37,127,708,092

2023 (Unit: KRW)

		1 January 2024	Cash flow from financial activities	Other changes from financial activities	31 December 2024
Liabilities arising from financial activities	Dividends payable	0	(73,189,350,000)	73,189,350,000	0
	Lease liabilities	15,886,600,747	(8,400,788,998)	13,638,643,785	21,124,455,534

32. Restricted Financial Instruments (Consolidated)

Restricted Financial Assets

2024 (Unit: KRW)

	Financial assets, category
	Financial assets measured at amortized cost, category
	Other receivables
Restricted financial assets	2,000,000
Description of restricted financial assets	Current account opening deposit

2023 (Unit: KRW)

	Financial assets, category
	Financial assets measured at amortized cost, category
	Other receivables
Restricted financial assets	2,000,000
Description of restricted financial assets	Current account opening deposit

33. Related Parties (Consolidated)

Restricted Financial Assets

2024 (Unit: KRW)

Type of special relationship	31 December 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) During the prior period, the Group acquired a 23.33% interest in LX Ventures New Technology Business Investment Fund No. 1

Disclosure of Transactions with Related Parties

2024 (Unit: KRW)

				Operating expense
All related parties	Associates and joint ventures	FJ Composite Materials Co., Ltd.		1,400,203,780
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		3,733,952,000
	Other related parties	Large corporate group affiliates	LX Hausys Co., Ltd.	121,495,728
			LX Pantos Co., Ltd.	4,454,978,701
			LX MDI Co., Ltd.	852,542,370
			LX International Co., Ltd.	4,343,868
			LX INTERNATIONAL JAPAN LTD.	40,199,175

2023 (Unit: KRW)

				Operating expense
All related parties	Associates and joint ventures	FJ Composite Materials Co., Ltd.		1,425,723,504
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		3,803,666,000
	Other related parties	Large corporate group affiliates	LX Hausys Co., Ltd.	215,500,000
			LX Pantos Co., Ltd.	4,879,477,279
			LX MDI Co., Ltd.	1,515,159,391
			LX International Co., Ltd.	30,978,300
			LX INTERNATIONAL JAPAN LTD.	43,352,264

Receivables and Payables of Related Parties

2024 (Unit: KRW)

				Trade receivables, etc.	Trade payables, etc.	Description of details of guarantees provided for receivables or liabilities of related party transactions
All related parties	Associates and joint ventures	FJ Composite Materials Co., Ltd.		0	7,430,585	
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		65,870,000	0	
	Other related parties	Large corporate group affiliates	LX Pantos Co., Ltd.	0	133,645,301	
			LX MDI Co., Ltd.	0	633,664,652	
			LX Hausys Co., Ltd.	0	6,938,240	
Total						As of 31 December 2024 and 2023, there

			are no collateral or guarantees provided by the Group for or from related parties.

2023 (Unit: KRW)

				Trade receivables, etc.	Trade payables, etc.	Description of details of guarantees provided for receivables or liabilities of related party transactions
All related parties	Associates and joint ventures	FJ Composite Materials Co., Ltd.		0	1,368,990,000	
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		434,734,000	0	
	Other related parties	Large corporate group affiliates	LX Pantos Co., Ltd.	0	7,700,000	
			LX MDI Co., Ltd.	0	825,695,817	
			LX Hausys Co., Ltd.	0	23,329,662	
Total						As of 31 December 2024 and 2023, there are no collateral or guarantees provided by the Group for or from related parties.

Disclosure of Related Party Financing Transactions

2024 (Unit: KRW)

			Dividend income	Dividend payment	Increase in capital contribution
Related Parties	Entities that jointly control or exercise significant influence over the company	LX Holdings Co., Ltd.	0	9,684,943,200	
	Associates and Joint Ventures	FJ Composite Materials Co., Ltd.	79,309,250	0	
		Telechips Inc.	303,000,000	0	
		LX Ventures New Technology Business Investment Fund No. 1	0	0	
Total			382,309,250	9,684,943,200	

2023 (Unit: KRW)

			Dividend income	Dividend payment	Increase in capital contribution
Related Parties	Entities that jointly control or exercise significant influence over the company	LX Holdings Co., Ltd.	0	24,212,358,000	0
	Associates and Joint Ventures	FJ Composite Materials Co., Ltd.	76,766,051	0	2,887,050,000
		Telechips Inc.	196,950,000	0	0
		LX Ventures New Technology Business Investment Fund No. 1	0	0	2,800,000,000
Total			382,309,250	9,684,943,200	273,716,051

Compensation for Key Management

2024 (Unit: KRW)

	Disclosed amount
Short-term salaries	9,109,398,690
Retirement benefits	1,393,561,210
Total	10,502,959,900
Description of the nature of special relationships	The Group’s key management includes directors who have significant authority and responsibility for planning, operating, and controlling the Company's activities.

2023 (Unit: KRW)

	Disclosed amount
Short-term salaries	8,261,424,780
Retirement benefits	1,511,980,330
Total	9,773,405,110
Description of the nature of special relationships	The Group’s key management includes directors who have significant authority and responsibility for planning, operating, and controlling the Company's activities.

34. Commitments and Contingencies (Consolidated)

Disclosure of Guarantee-related Contingent Liabilities and Non-PF Contingent Liabilities

(Unit: KRW)

	Classification of payment guarantee
	Payment guarantee received
	For transaction counterparties
	Mutual guarantee insurance
Corporate (other) guarantee amount (non-PF)	385,000,000

Disclosure of Commitments (Unit: KRW)

						Commitment Amount	Foreign Currency Commitment Amount [USD, Days]]
Counterparty	Shinhan Bank	Type of Commitment	Borrowing limit	Functional currency or presentation currency	KRW		
					USD		
			Purchased foreign exchange		KRW	0	
					USD		16,000,000
			Currency forward		KRW	0	
					USD		10,000,000
			Factoring of		KRW		

			receivables		USD		
	Nonghyup Bank		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW	0	
					USD		15,000,000
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	Mizuho Bank		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW	0	
					USD		60,000,000
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	The Export-Import Bank of Korea		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		380,000,000
	MUFG Bank		Borrowing limit		KRW	150,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW	0	
					USD		20,000,000
			Factoring of receivables		KRW	100,000,000,000	
					USD		220,000,000
	Hana Bank		Borrowing limit	Functional currency or presentation currency	KRW	100,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	Suhyup Bank		Borrowing limit		KRW	30,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		

			Factoring of receivables		KRW		
					USD		
	BNP Paribas		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		130,000,000
	ING Bank		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		95,000,000

Disclosure of Assets Pledged as Collateral

As of 31 December 2024, the Group has no assets, including financial assets, pledged as collateral.

Disclosure of Contingent Liabilities Related to Legal Proceedings

As of 31 December 2024, the Group has no ongoing lawsuits or disputes.

Disclosure of Commitments with Related Parties

2024 (Unit: KRW)

		Investment commitment amount	Paid-in capital	Additional investment amount scheduled
Counterparty	LX Ventures New Technology Business Investment Fund No. 1	7,000,000,000	2,800,000,000	4,200,000,000

2023 (Unit: KRW)

		Investment commitment amount	Paid-in capital	Additional investment amount scheduled
Counterparty	LX Ventures New Technology Business Investment Fund No. 1			

35. Fair Value Measurement (Consolidated)

Description of the Levels in the Fair Value Hierarchy within the Fair Value Measurement Classification

	Level 1 of fair value hierarchy	Level 2 of fair value hierarchy	Level 3 of fair value hierarchy
Description of the levels in the fair value hierarchy within the fair value measurement classification	Measurement date quoted prices (unadjusted) in active markets for identical assets or liabilities, reflecting market conditions including interest rate increases, inflation, changes in the economic environment related to ESG risk, etc.	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2)	Unobservable inputs for the asset or liability, such as unlisted equity securities, reflecting adjustments for unobservable factors due to ESG-related risks (Level 3)

Disclosure of Fair Value Measurement of Liabilities

(Unit: KRW)

	Category			Total
	Financial liabilities measured at fair value			
	Derivative financial liabilities			
	All levels of fair value hierarchy			
	Level 1	Level 2	Level 3	
Fair value	0	13,642,987,958	0	13,642,987,958
Description stating that there were no transfers between Level 1, Level 2, and Level 3 of the fair value hierarchy, liabilities				There were no transfers between levels of the fair value hierarchy for recurring fair value measurements during the current quarter.

Level 2 Liabilities in Valuation Techniques and Inputs

2024 (Unit: KRW)

					Valuation technique	Inputs	Amount
Classification	Financial liabilities measured at fair value	Derivative financial liabilities	All levels of the fair value hierarchy	Level 2 of the fair value hierarchy	Discounted cash flow model	Discount rate and exchange rate	13,642,987,958

2023 (Unit: KRW)

					Valuation technique	Inputs	Amount
Classification	Financial liabilities measured at fair value	Derivative financial liabilities	All levels of the fair value hierarchy	Level 2 of the fair value hierarchy	Discounted cash flow model	Discount rate and exchange rate	0

4. Financial Statements

4-1 Statement of Financial Position

Statement of Financial Position

As of 31 December 2024

As of 31 December 2023

As of 31 December 2022

(Unit: KRW)

	2024	2023	2022
Assets			
Current assets	1,115,609,645,874	897,567,662,023	1,006,088,865,246
Cash and cash equivalents	231,467,734,679	180,939,531,955	186,352,407,000
Short-term financial instruments	160,000,000,000	120,000,000,000	130,000,000,000
Trade receivables	448,798,746,663	204,968,516,437	143,347,796,852
Other receivables	5,261,961,225	3,417,921,540	30,218,862,758
Other current assets	58,641,386,730	52,350,652,620	33,613,363,401
Inventories	211,439,816,577	335,891,039,471	482,556,435,235
Non-current assets	369,576,289,579	298,120,505,199	276,313,175,716
Long-term other receivables	8,655,836,755	12,032,846,069	15,013,066,616
Investments in subsidiaries	4,249,012,045	3,532,122,045	3,532,122,045
Investments in associates and joint ventures	43,702,873,000	43,702,873,000	38,015,823,000
Tangible assets	109,519,932,189	103,185,474,956	103,418,994,751
Licensed assets	34,242,212,908	19,643,121,217	14,204,693,929
Intangible assets	83,524,035,092	73,794,815,777	63,621,254,908
Other non-current assets	52,558,047,520	8,960,441,666	10,161,318,572
Defined benefit assets	5,795,123,835	9,689,545,632	18,301,443,497
Deferred tax assets	27,329,216,235	23,579,264,837	10,044,458,398
Total assets	1,485,185,935,453	1,195,688,167,222	1,282,402,040,962
Liabilities			
Current liabilities	350,524,254,936	208,177,134,196	324,485,362,868
Trade payables	153,443,980,008	97,600,609,220	196,211,140,403
Other payables	103,205,067,769	46,298,822,570	70,217,680,214
Other current liabilities	50,866,220,497	32,374,334,511	10,742,259,927
Derivative liabilities	13,642,987,958	0	0
Lease liabilities	8,132,128,607	6,773,233,986	7,057,098,646
Current tax liabilities	21,233,870,097	25,130,133,909	40,257,183,678
Non-current liabilities	66,786,544,161	19,893,642,382	13,106,438,967
Other non-current payables	34,505,887,888	1,825,320,000	2,001,160,000
Other non-current liabilities	6,423,283,638	5,657,823,936	5,127,321,699
Lease liabilities	25,857,372,635	12,410,498,446	5,977,957,268
Total liabilities	417,310,799,097	228,070,776,578	337,591,801,835
Equity			
Capital	8,132,150,000	8,132,150,000	8,132,150,000
Capital surplus	76,343,170,500	76,343,170,500	76,343,170,500
Other capital items	(380,807,731)	(380,807,731)	(380,807,731)

Retained earnings	983,780,623,587	883,522,877,875	860,715,726,358
Total equities	1,067,875,136,356	967,617,390,644	944,810,239,127
Total equities and liabilities	1,485,185,935,453	1,195,688,167,222	1,282,402,040,962

4-2 Income Statement

Income Statement

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	2024	2023	2022
Sales	1,865,621,538,499	1,901,444,975,029	2,119,345,363,613
COGS	1,249,744,048,726	1,367,468,136,980	1,443,672,300,059
Gross profit	615,877,489,773	533,976,838,049	675,673,063,554
Selling and administrative expenses	451,760,886,979	407,352,593,878	366,627,487,034
Operating profit	164,116,602,794	126,624,244,171	309,045,576,520
Finance income	20,063,711,196	13,195,615,567	11,897,452,840
Finance costs	33,672,477,355	24,903,693,589	12,817,270,650
Other non-operating income	43,224,542,031	31,224,842,820	44,541,161,224
Other non-operating expenses	28,226,745,039	24,979,043,303	52,212,833,773
Income before income taxes	165,505,633,627	121,161,965,666	300,454,086,161
Income tax expenses	36,337,006,407	23,845,577,665	69,846,447,195
Net income	129,168,627,220	97,316,388,001	230,607,638,966
Earnings per share			
Basic earnings per share (Unit: KRW)	7,942	5,983	14,179
Diluted earnings per share (Unit: KRW)	7,942	5,983	14,179

4-3 Comprehensive Income Statement

Comprehensive Income Statement

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	2024	2023	2022
Net income	129,168,627,220	97,316,388,001	230,607,638,966
Other comprehensive income	364,858,492	(1,319,886,484)	4,959,634,424
Items not be reclassified to current profit or loss:	364,858,492	(1,319,886,484)	4,959,634,424
Remeasurements of defined benefit plans	129,533,485,712	95,996,501,517	235,567,273,390
Total comprehensive income	129,168,627,220	97,316,388,001	230,607,638,966

4-4 Statements of Changes in Equity

Statements of Changes in Equity

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	Equity				
	Capital stock	Capital surplus	Other components of equity	Retained earnings	Total
01 January 2022	8,132,150,000	76,343,170,500	(380,807,731)	712,975,672,968	797,070,185,737
Net income	0	0	0	230,607,638,966	230,607,638,966
Remeasurements of defined benefit plans	0	0	0	4,959,634,424	4,959,634,424
Annual dividends	0	0	0	(87,827,220,000)	(87,827,220,000)
31 March 2022	8,132,150,000	76,343,170,500	(380,807,731)	860,715,726,358	944,810,239,127
01 January 2023	8,132,150,000	76,343,170,500	(380,807,731)	860,715,726,358	944,810,239,127
Net income	0	0	0	97,316,388,001	97,316,388,001
Remeasurements of defined benefit plans	0	0	0	(1,319,886,484)	(1,319,886,484)
Annual dividends	0	0	0	(73,189,350,000)	(73,189,350,000)
31 March 2023	8,132,150,000	76,343,170,500	(380,807,731)	883,522,877,875	967,617,390,644
01 January 2024	8,132,150,000	76,343,170,500	(380,807,731)	883,522,877,875	967,617,390,644
Net income	0	0	0	129,168,627,220	129,168,627,220
Remeasurements of defined benefit plans	0	0	0	364,858,492	364,858,492
Annual dividends	0	0	0	(29,275,740,000)	(29,275,740,000)
31 March 2024	8,132,150,000	76,343,170,500	(380,807,731)	983,780,623,587	1,067,875,136,356

4-5 Statement of Cash Flows

Statement of Cash Flows

From 01 January to 2024 to 31 December 2024

From 01 January to 2023 to 31 December 2023

From 01 January to 2022 to 31 December 2022

(Unit: KRW)

	2024	2023	2022
Operating cash flows	163,258,852,369	99,369,307,881	(83,590,345,859)
Cash flows from operating activities	190,824,522,983	139,561,586,755	12,584,036,672
Net income	129,168,627,220	97,316,388,001	230,607,638,966
Adjustments	95,612,645,714	113,465,782,387	153,265,712,593
Change to equities/liabilities on sales operations	(33,956,749,951)	(71,220,583,633)	(371,289,314,887)
Interest received	16,973,220,615	12,264,428,461	11,268,042,773
Interest paid	(828,378,977)	(345,754,318)	(378,267,334)
Receipt of dividends	382,309,250	0	0
Income taxes paid	(44,092,821,502)	(52,110,953,017)	(107,064,157,970)
Cash flows from investing activities	(76,442,344,012)	(25,958,077,448)	231,627,388,222
Receipt of dividends	0	273,716,051	0
Increase in short term financial instruments	(640,000,000,000)	(170,000,000,000)	(210,000,000,000)
Decrease in short term financial instruments	600,000,000,000	180,000,000,000	550,000,000,000

Increase in other receivables	(1,689,325,500)	(330,000,000)	(7,380,904,739)
Decrease in other receivables	5,569,940,399	2,695,677,698	3,058,190,745
Decrease in other liabilities	0	0	(20,000,000)
Acquisition of property, plant and equipment	(22,084,176,707)	(32,694,391,247)	(59,302,383,368)
Disposal of property, plant and equipment	22,434,000	19,522,816,600	937,220,000
Acquisition of intangible assets	(18,363,853,477)	(19,738,847,550)	(19,396,310,416)
Disposal of intangible assets	819,527,273	1,000	1,400,000,000
Acquisition of investments in associates	0	(5,687,050,000)	(26,770,050,000)
Acquisition of investments in subsidiaries	(716,890,000)	0	(898,374,000)
Cash flow from financing activities	(36,536,553,774)	(80,436,902,144)	(93,793,056,823)
Payment of dividends	(29,275,659,685)	(73,189,350,000)	(87,827,220,000)
Repayment of lease liabilities	(7,260,894,089)	(7,247,552,144)	(5,965,836,823)
Increase (decrease) in cash and cash equivalents	50,279,954,583	(7,025,671,711)	54,243,985,540
Cash and cash equivalents as of 1 January	180,939,531,955	186,352,407,000	133,729,223,245
Effects of exchange rate changes on cash and cash equivalents	248,248,141	1,612,796,666	(1,620,801,785)
Cash and cash equivalents as of 31 December	231,467,734,679	180,939,531,955	186,352,407,000

5. Notes on Financial Statements

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 31 December 2023 and 2022 is KRW 8,132,150,000 (16,264,300 issued shares and 50,000,000 authorized shares).

The shareholders of the Company as of 31 December 2024 and 2023 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

The financial statements of the Company and its subsidiaries (hereinafter referred to as the “Company”) have been prepared in accordance with the Korean International Financial Reporting Standards (K-IFRS). The International Accounting Standards applied by Korea refer to the standards and interpretations published by the International Accounting Standards Board (“IASB”) applied by the Republic of Korea.

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities (including derivatives), certain types of property, plant and equipment and investment properties measured at fair value
- Assets held for sale measured at fair value less costs to sell
- Defined benefit plans and plan assets measured at fair value

The K-IFRS allow the use of material accounting estimates in the preparation of financial statements. It requires management's judgment in applying accounting policies. Parts that require more complex and high-level judgments or that require important assumptions and estimates are explained in Note 4.

3. Significant Accounting Policies

3.1. Changes in accounting policies and disclosures

3.1.1. Enacted and amended standards and interpretations applied by the Group

The Group has newly applied the following enacted and amended standards and interpretations from the accounting period beginning on 1 January 2024.

(5) Amendment to K-IRFS 1001 Presentation of Financial Statements - Classification of Liabilities into Current/Non-current, and Non-current Liabilities with Agreements

Liabilities are classified as current or non-current based on the substantial rights existing at the end of the reporting period, and the possibility of deferring the settlement of the liabilities or the management's expectations are not considered. Additionally, the settlement of liabilities may include the transfer of equity instruments, but liabilities settled by equity instruments as part of a compound financial instrument are excluded if the option to settle meets the definition of equity and is recognized separately from the liability. Furthermore, commitments that the company must comply with after the end of the reporting period do not affect the classification of the liabilities at the end of the reporting period. If a liability that needs to be settled within 12 months after the reporting period is classified as non-current at the end of the reporting period, information about the risk of settling the liability within the subsequent 12 months must be disclosed. The amendment to the standard has no significant impact on the consolidated financial statements.

(6) Amendment to K-IRFS 1007 Statement of Cash Flows and K-IRFS 1107 Financial Instruments:

Disclosure - Disclosure of Information on Supplier Finance Arrangements

When applying supplier finance arrangements, entities must disclose information about such arrangements to enable financial statement users to assess their impact on the entity's liabilities, cash flows, and liquidity risk management. The amendment to the standard has no significant impact on the consolidated financial statements.

(7) Amendment to K-IRFS 1116 Lease - Lease liabilities in a Sale and Leaseback

When measuring lease liability in a sale and leaseback subsequently, lease payments or lease modifications are calculated without recognizing the profit or loss related to the right of use held by the seller-lessee. The amendment to the standard has no significant impact on the consolidated financial statements.

(8) Amendment of K-IRFS 1001 Presentation of Financial Statements – Disclosure of Virtual Assets

The amendment stipulates additional disclosure requirements for holding virtual assets, holding virtual assets on behalf of customers, and issuing virtual assets. The amendment to the standard has no significant impact on the consolidated financial statements.

3.1.2 Newly issued or revised standards and interpretations not yet adopted by the group

The following new or revised standards and interpretations have been issued but are not yet effective and therefore have not been applied by the Group:

(1) Amendments to K-IFRS 1021 Effects of Changes in Foreign Exchange Rates and K-IFRS 1101 First-time Adoption of Korean International Financial Reporting Standards

The amendments require an entity to assess the exchangeability of a currency. If exchangeability is lacking, the entity must estimate the spot exchange rate and disclose relevant information. These amendments are effective for annual reporting periods beginning on or after 01 JAN 2025, with earlier application permitted. The Group is currently assessing the impact of these amendments on its consolidated financial statements.

(2) Amendments to K-IFRS 1109 Financial Instruments and K-IFRS 1107 Financial Instruments: Disclosures

To address practice issues and incorporate new requirements, K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 Financial Instruments: Disclosures have been amended. These amendments are effective for annual reporting periods beginning on or after 01 January 2026, with earlier application permitted. The Group is currently assessing the impact of these amendments on its consolidated financial statements. The key amendments are as follows:

· Allowing a financial liability to be considered settled (derecognized) through an electronic payment system prior to the settlement date, if specific criteria are met

· Clarifying and adding guidance on assessing whether a financial asset meets the criteria of being solely payments of principal and interest (SPPI)

· Requiring disclosure, by class of financial instrument, of the impact of contractual terms that change

the timing or amount of contractual cash flows and the extent of the entity's exposure
· Additional disclosure requirements for equity instruments designated at FVOCI

(3) Annual Improvements to K-IFRS, Volume 11

The Annual Improvements to K-IFRS, Volume 11, are effective for annual reporting periods beginning on or after 01 January 2026, with earlier application permitted. The Group does not expect these amendments to have a significant impact on its consolidated financial statements.
· K-IFRS 1101 First-time Adoption of K-IFRS: Application of hedge accounting on first-time adoption
· K-IFRS 1107 Financial Instruments: Disclosures: Derecognition gains or losses, implementation guidance
· K-IFRS 1109 Financial Instruments: Derecognition of lease liabilities and definition of transaction price
· K-IFRS 1110 Consolidated Financial Statements: Determination of de facto agents
· K-IFRS 1007 Statement of Cash Flows: Cost method

3.2. Subsidiaries joint ventures and associates

The Company's financial statements are separate financial statements in accordance with K- IFRS 1027 Separate Financial Statements. Investments in subsidiaries, joint ventures and associates are measured at cost on a direct equity basis. However, at the date of conversion to K-IFRS, the book value in accordance with past accounting standards at the time of conversion was used as deemed cost. In addition, dividends received from subsidiaries, joint ventures and associates are recognized as profit or loss when the dividend right is established.

3.3. Foreign currency translation

(1) Functional and presentation currency

The Company measures items included in its financial statements by applying the currency ("functional currency") in the main economic environment in which each of its operations is conducted. The functional currency of the Company is Korean won and the financial statements are presented in Korean won.

(2) Foreign currency transactions and translation at the end of the reporting period

Foreign currency transactions are recognized in the functional currency at the exchange rate at the date of the transaction or, in the case of remeasured items, at the rate at the valuation date. Exchange differences arising from the settlement of foreign currency transactions or the translation of monetary foreign currency assets and liabilities are recognized as current profit or loss. However, gains and losses on monetary items that relate to the effective portion of a qualifying cash flow hedge or net investment hedge or that are part of a net investment in a foreign operation of the reporting entity are recognized as other comprehensive income.

Foreign exchange differences arising from non-monetary financial assets and liabilities are regarded as part of fair value gains and losses, and foreign exchange differences arising from equity instruments measured at FVTPL are recognized as current profit or loss, and exchange differences on equity instruments measured at FVOCI are recognized as part of other comprehensive income.

3.4. Financial assets

(1) Category

The Company classifies its financial assets into the following measurement categories:

- Financial assets measured at FVTPL
- Financial assets measured at FVOCI
- Financial assets measured at amortized cost

Financial assets are classified based on the business model for managing financial assets and the contractual cash flow characteristics of financial assets.

Gains or losses on financial assets measured at fair value are recognized as profit or loss or other comprehensive income. Investments in debt instruments are recognized in profit or loss or other comprehensive income based on the business model for holding the assets. The Company reclassifies debt instruments only when it changes its business model for managing its financial assets.

Investments in equity instruments that are not held for trading may have an irrevocable choice, at initial recognition, to present subsequent changes in fair value in other comprehensive income. The changes in the fair value of investments in undesignated equity instruments are recognized as profit or loss.

(2) Measurement

The Company initially measures financial assets measured at fair value, and for financial assets not measured at FVTPL, the transaction costs directly attributable to the acquisition of the financial asset are added to the fair value. Transaction costs for financial assets measured at FVTPL are expensed in profit or loss.

When determining whether a compound contract, including embedded derivatives, has cash flows that are solely principal and interest, the entire compound contract is considered.

① Debt instruments

The subsequent measurement of financial assets is based on the contractual cash flow characteristics of the financial assets and the business model that manages the financial assets. The Company classifies debt instruments into the following three categories:

(A) Amortized cost

Under a business model where financial assets are held to collect contractual cash flows, and where the contractual cash flows consist solely of principal, the assets are measured at amortized cost. Profit or loss on financial assets measured at amortized cost, which are not designated as hedging instruments, are recognized in profit or loss when the financial assets are derecognized or impaired. Interest income recognized on financial assets measured at amortized cost according to the effective interest rate method is included in financial income.

(B) Financial assets measured at FVOCI

Under a business model where financial assets are held both to collect contractual cash flows and to sell the financial assets, and where the contractual cash flows consist solely of principal, the financial assets are measured at FVOCI. Except for impairment losses (reversals), interest income, and foreign exchange gains or losses, the fair value gains or losses on financial assets measured at FVOCI are recognized in other comprehensive income. Upon derecognition of financial assets, the accumulated balance of other comprehensive income is reclassified from equity to profit or loss. Interest income recognized on financial assets measured at amortized cost according to the effective interest rate method is included in financial income. Foreign exchange gains are presented as other income, while impairment losses are presented as other expenses.

(C) Financial assets measured at FVTPL

Debt instruments not measured at amortized cost or FVOCI are measured at FVTPL. Gains or losses on debt instruments measured at FVTPL, where hedge accounting is not applied, are recognized in profit or loss for the period and presented as other non-operating income or other non-operating expenses on the income statement.

② Equity instruments

The Company subsequently measures its investments in all equity instruments measured at fair value. Amounts recognized in other comprehensive income for equity instruments for long-term or strategic investments that elect to present changes in fair value in other comprehensive income are not reclassified to profit or loss when the equity instruments are derecognised. Dividend income from these equity instruments is recognized as profit or loss as 'financial income' when the Company's right to receive the dividend is established.

The changes in the fair value of financial assets measured at FVTPL are presented as other non-operating income or other non-operating expenses in the income statement. Impairment losses (reversals) for equity instruments measured at FVOCI are not recognized separately.

(3) Impairment

The Company evaluates expected credit losses on debt instruments that are measured at amortized cost or at FVOCI based on future prospect information. The impairment method is determined by whether there is a significant increase in credit risk. However, for trade receivables and lease receivables, the Company applies the expedient method of recognizing expected credit losses over the entire period from the initial recognition of the receivables.

(4) Recognition and derecognition

Regular purchases or sales of financial assets are recognized or derecognized on the trading day. A financial asset is derecognized when the contractual right to the cash flows expires or when the financial asset is transferred and substantially all of the risks and rewards of ownership have been transferred.

Even if the Company transfers the financial assets, if the Company retains most of the risks and rewards of ownership of the transferred financial assets due to the right of recourse in the event of default by the debtor, it continues to recognize the entire transferred asset without derecognition, but recognizes the consideration received as a financial liability.

(5) Offset of financial instruments

For financial assets and liabilities, only if it currently has a legally enforceable right of offset for the recognized assets and liabilities and intend to either settle on a net basis or to realize the assets and settle the liabilities at the same time, the Company offsets financial assets and financial liabilities and presents them in net amounts in the statement of financial position. A legally enforceable right of offset shall not depend on future events and shall be enforceable in the normal course of business, in the event of default and in the event of insolvency or bankruptcy.

3.5 Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives that do not qualify for hedge accounting are classified as held for trading, and changes in the fair value of such derivatives are recognized in the statement of profit or loss as financial income (expenses) depending on the nature of the transaction. The accounting treatment of changes in the fair value of derivatives differs depending on whether the derivative is designated as a hedging instrument and on the nature of the hedged item. The Company enters into derivatives for hedging purposes, and some of these derivatives are designated as hedging instruments in the following hedging relationship:

· Hedging the exposure to changes in the fair value of a recognized asset, liability, or firm commitment (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 hedge will offset changes in the cash flows of the hedged item. The Company also documents its risk management objectives and strategy for undertaking hedge transactions.

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

The full fair value of a derivative designated as a hedging instrument is classified as a non-current asset or liability if the remaining maturity of the hedged item is greater than 12 months, and as a current asset or liability if the maturity is 12 months or less. Derivative liabilities not designated as hedging instruments are classified as current or non-current depending on the settlement date, and derivative assets are classified as current or non-current depending on their expected maturity.

Changes in the fair value of derivatives designated as hedging instruments in fair value hedges are recognized in the statement of profit or loss together with the changes in the fair value of the hedged item attributable to the hedged risk. When hedge accounting is no longer applied, if the hedged item is subject to the effective interest method, the adjustment to the carrying amount is amortized to interest income over the remaining maturity.

3.6. Trade receivables

Trade receivables are initially recognized at the undiscounted amount of consideration when recognized at fair value, unless they contain significant financing components. Subsequently, trade receivables are measured at amortized cost using the effective interest method, net of allowance for losses.

3.7. Inventories

Inventories are reported at the lower of cost and net realizable value, with the cost of inventories determined using the specific identification method or the weighted average method.

3.8. Tangible assets

Tangible assets are presented at the historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure directly attributable to the acquisition of the asset.

Assets, other than land, are amortized using the straight-line method over their estimated useful lives, less residual value from cost.

Category	Estimated useful lives
Buildings and structures	20~ 40 years
Machinery and equipment	5 years
Office equipment	4 years
Other tangible assets	2~5 years

The depreciation methods, residual values and useful lives of property, plant and equipment are reviewed at the end of each fiscal year and adjusted, if necessary, for changes in estimates.

3.9. Government subsidies

Government subsidies are recognized at fair value when there is reasonable assurance that the grant will be received and the conditions attached to the grant will be complied with. Subsidies related to assets are presented as a deduction when calculating the book value of assets, and subsidies related to income are deferred and presented as a deduction from expenses related to the purpose of granting government subsidies.

3.10. Intangible assets

Goodwill is recognized as the amount by which the total fair value of the consideration transferred and the fair value at the acquisition date of any previously held equity interest in the acquiree exceed the identifiable net assets acquired. Goodwill is presented at cost less any accumulated impairment losses, and impairment losses on goodwill are not reversed.

Intangible assets, excluding goodwill, are initially recognized at historical cost and are subsequently presented at cost less accumulated depreciation and any accumulated impairment.

Internally generated intangible assets represent the sum of expenditures incurred after the point at which the asset recognition criteria, including technical feasibility and future economic benefits, are met. Contractual customer relationships acquired through business combinations are recognized at their fair value at the date of acquisition. Membership rights, which have no foreseeable limit to their period of use, are not depreciated due to their indefinite useful life. The following intangible assets with definite useful lives are amortized using the straight-line method over their estimated useful lives.

Category	Estimated useful lives
Industrial property rights	10 years
Software	5 years
Other intangible assets	5 years

3.11. Impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives are tested annually for impairment when there are indications of impairment for assets subject to amortization. Impairment losses are recognized for the book value in excess of recoverable amount (value in use or fair value after deducting costs of disposal, whichever is higher), and impairment losses on non-financial assets other than goodwill are reviewed for possible reversal at the end of each reporting period.

3.12. Trade and other payables

Trade and other payables represent the Company's liabilities for goods and services received before the end of the reporting period that have not yet been paid. Trade payables and other liabilities are classified as current liabilities unless their payment is due more than 12 months after the reporting period. These liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest rate method.

3.13. Financial liabilities

(1) Classification and measurement

The Company's financial liabilities at FVTPL are financial instruments held for trading. Financial liabilities incurred primarily for the purpose of repurchasing in the short term are classified as trading financial liabilities. Derivatives not designated as hedge accounting instruments or embedded derivatives separated from financial instruments are also classified as trading financial liabilities.

All non-derivative financial liabilities, other than financial liabilities at FVTPL, financial guarantee contracts, and financial liabilities arising when transfers of financial assets do not qualify for derecognition, are classified as financial liabilities measured at amortized cost and presented as trade payables, other payables on the statement of financial position.

Borrowings are initially recognized at the amount of proceeds received, which is the fair value minus transaction costs, and subsequently measured at amortized cost. The difference between the amount received (net of transaction costs) and the repayment amount is recognized in the income statement over the period of the borrowing using the effective interest rate method. Fees paid to obtain a borrowing facility are recognized as part of the transaction cost of the borrowings to the extent that it is probable that some or all of the facility will be drawn down. In such cases, the fees are deferred until the draw-down occurs. Fees that are not considered likely to result in a draw-down of the facility are recognized as prepaid assets for the liquidity services provided and are amortized over the period of the borrowing facility.

If there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period, the borrowings are classified as a current liability.

(2) Derecognition

Financial liabilities are derecognized from the statement of financial position when contractual obligations are discharged, canceled or expired, or when the terms of an existing financial liability change materially. The difference between the book value of financial liabilities extinguished or transferred to a third party and the consideration paid (including non-cash assets transferred or liabilities assumed) is recognized as profit or loss.

3.14. Financial guarantee contracts

The financial guarantee contracts provided by the Company are initially recognized at fair value. Subsequently, they are measured at the higher of the following amounts:

(1) The loss allowance calculated in accordance with the impairment requirements for financial instruments.

(2) The initial recognition amount minus any cumulative gain recognized in accordance with K-IRFS

1115.

The fair value of financial guarantee contracts is estimated based on the market price of similar financial instruments, by comparing interest rates of borrowed funds with and without the provision of the financial guarantee, or by calculating the present value of the expected future payments due to the financial guarantee.

3.15. Provisions

Liabilities for warranty provisions and similar obligations are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the present value of the expenditures expected to settle the obligation, and the increase in the provision due to the passage of time is recognized as interest expense.

3.16. Current income tax and deferred income tax

Tax expenses consist of current income tax and deferred income tax. Taxes related to items directly recognized in other comprehensive income or equity are recognized directly in those items, and all other taxes are recognized in the current profit or loss.

Current income tax expense is measured based on the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates the Company's tax policies applied in tax filings in situations where applicable tax laws may be subject to interpretation, and considers whether tax authorities are likely to accept uncertain income tax treatment. The Company reflects the impact of uncertainty by using the method that better predicts the resolution of uncertainty, whether it is the most likely amount or the expected value.

Deferred income tax is recognized for the expected income tax effects when recovering or settling the book values of assets and liabilities, arising from temporary differences between the book values and tax bases of assets and liabilities. However, deferred tax assets and liabilities arising from the initial recognition of assets and liabilities in transactions other than business combinations are not recognized if the transaction does not affect accounting profit or taxable income.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, associates, and joint ventures, except where the Group can control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. In addition, deferred tax assets from deductible temporary differences associated with these investments are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are offset if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority. Current tax assets and liabilities are offset if there is a legally enforceable right to set off and the intention is either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.17. Employee benefits

(1) Retirement benefits

The Company's pension scheme is categorized as a defined benefit plan.

A defined contribution plan is a pension scheme where the Company pays fixed contributions into a separate entity and recognizes such contributions as an expense when the employee services are rendered.

A defined benefit plan encompasses all pension plans excluding defined contribution plans. Typically, in a defined benefit plan, the amount of pension benefits to be paid upon an employee's retirement is determined based on factors such as age, years of service, or salary level. The liability recorded on the balance sheet related to defined benefit plans represents the present value of the defined benefit obligation, reduced by the fair value of any plan assets held externally. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method, and the present value of the defined benefit obligation is calculated by discounting expected future cash outflows with the interest rate of high-quality corporate bonds with similar maturity dates. Meanwhile, remeasurement components related to net defined benefit liabilities are recognized in other comprehensive income.

In the event of a plan amendment, curtailment or settlement, past service cost or any gain or loss on settlement is recognized as profit or loss.

(2) Other long-term employee benefits

Some companies within the Company provide long-term employee benefits to employees who have served for extended periods. The right to receive these benefits is granted exclusively to long-serving employees. The measurement of other long-term employee benefits is similar to that of defined benefit plans, and the cost of employment, net interest on the other long-term employee benefit liability, and re-measurement components are recognized in profit or loss for the period. Additionally, these liabilities are evaluated annually by an independent and qualified actuarial professional.

3.18. Revenue recognition

The Company is engaged in the business of designing and manufacturing semiconductors that drive display panels, and sells these to customers. Revenue is recognized according to K-IFRS 1115 Revenue from Contracts with Customers. Revenue is recognized when control of the goods or services transfers to the customer, which is when the Company expects to be entitled to consideration in exchange for those goods or services.

Generally, the point at which control of the goods is transferred is determined to be when the goods have been shipped to a specified location, the risks and rewards of ownership have transferred to the customer, and there is objective evidence that the customer has accepted the goods or the conditions for acceptance have been satisfied.

(1) Returns

Returns are accounted for by recognizing the total expected amount of refunds as a contract liability and adjusting the revenue accordingly. When a customer exercises their right to return a product, the right to recover the product from the customer is recognized as a contract asset, and the cost of sales is adjusted by the same amount. The right to recover the product is measured by deducting the cost of recovering the product from its historical book value.

(2) Significant financial components

In general, the period between transferring goods or services and paying the price is less than one year, and in such cases, a practical expedient method is used that does not adjust the promised price to reflect the influence of significant financial factors.

3.19. Lease

(1) Lessor

If the Company is a lessor, lease income from operating leases is recognized on a straight-line basis over the lease term. The Company adds the direct cost of establishing a lease to the book value of the underlying asset and recognizes it as an expense over the lease term on the same basis as the rental income. Each leased assets are presented on the basis of its characteristics in the statement of financial position.

(2) Lessee

The Company leases various properties and vehicles. Lease agreements are typically for a fixed period, but may include options to extend as described below.

Agreements can include both lease and non-lease components. The Company has allocated the contract consideration to the lease and non-lease components based on their relative standalone prices.

Lease terms are negotiated individually and include various terms and conditions. Although there are no other restrictions imposed by the lease agreements, the leased asset cannot be provided as collateral for borrowings.

In the non-cancellable period within the enforceable period of the contract, the Company calculates the lease term including the covered period when it is reasonably certain that the lessee will exercise the option of extension and the covered period when it is reasonably certain that the lessee will not exercise the option of termination. If the lessee and the lessor each have the right to terminate without the consent of the other party, the Company calculates the enforceable period in consideration of the economic disadvantages to be incurred when the contract is terminated.

Assets and liabilities arising from leases are initially measured at present value. Lease liabilities include the net present value of the following lease payments:

- Fixed lease payments, reduced by any lease incentives received (including any substantive fixed lease payments);
- Variable lease payments that change based on an index or rate, initially measured using the index or rate as of the commencement date;
- Amounts expected to be payable by the Company (lessee) under a residual value guarantee;
- The exercise price of a purchase option if it is reasonably certain that the Company (lessee) will exercise this option;
- Payments to terminate the lease, if the lease term reflects the exercise of an option to terminate by the Company (lessee).

When a lessee is reasonably certain to exercise an option to extend the lease, the lease payments to be made under the extension are also included in the measurement of the lease liability.

Lease payments are discounted using the lease's internal rate of interest if it can be easily determined. If the internal rate cannot be readily calculated, the lessee uses the incremental borrowing rate, which is the interest rate the lessee would have to pay to borrow funds over a similar term, and with a similar security, under comparable economic conditions, to obtain an asset of a similar value to the right-of-use asset.

To calculate the incremental borrowing rate, the Company considers the following factors:

- If possible, the Group starts with the most recent third-party interest rate available to an individual lessee and adjusts for changes in the financial position of the lessee after obtaining third-party financing.
- The Company reflects adjustments specific to the lease such as the country, currency, collateral, and guarantees involved.

When an individual lessee can easily observe the interest rate for a term loan with a similar repayment schedule to the lease (using recent financial or market data), the Company uses this observed rate as a starting point for calculating the incremental borrowing rate.

For variable lease payments that depend on an index or rate, the Company is exposed to the risk of potential future increases in variable lease payments that are not included in the lease liability until the index or rate is in effect. When adjustments to lease payments based on indices or rates take effect, the lease liability is re-measured and the right-of-use asset is adjusted accordingly.

Lease payments are apportioned between the reduction of the lease liability and the finance cost. The finance cost is recognized in profit or loss over the lease period, calculated to produce a constant periodic rate of interest on the remaining balance of the lease liability.

A right-of-use assets are measured at cost consisting of:

- Initial measurement of the lease liability
- Paid on or before the commencement date of the lease less any lease incentives received;
- Direct cost of opening the lease borne by the lessee;
- Estimate of restoration cost.

Right-of-use assets are depreciated from the commencement date of the lease to the end of the useful life of the right-of-use assets and the end of the lease term. If it is reasonably certain that the Company will exercise the purchase option, the right -of-use assets are depreciated over the useful life of the underlying asset.

Short-term leases of facilities and vehicles and lease payments related to leases of small assets are recognized as profit or loss on a straight-line basis. Short-term leases are leases with a lease term of 12 months or less without purchase options, and small-value leased assets consist of IT equipment and small-value office furniture.

(3) Extension and termination options

The Company includes extension and termination options in many of its lease contracts across the entire entity. These provisions are utilized for operational flexibility in terms of contract management. Most of the extension and termination options held are exercisable at the discretion of the Company rather than the lease provider.

3.20. Approval of financial statements

The financial statements of the Company have been approved by the board of directors on 25 January 2024, and the final approval is expected at the general meeting of shareholders.

4. Significant Accounting Estimates and Assumptions

The preparation of financial statements requires assumptions and estimates about the future, and management's judgment is required to apply the Company's accounting policies. Estimations and assumptions are continuously evaluated and are made taking into account historical experience and reasonably foreseeable future events in the present circumstances. Since the results of accounting estimates are seldom identical to the actual results, there is a significant risk of causing material adjustments.

Estimates and assumptions that could impact the adjustments of asset and liability book values in the next fiscal year, including management's judgments and significant risks are as follows: Additional information on significant judgments and assumptions for some items is included in separate notes.

(1) Valuation of inventories

Inventories are valued at the lower of cost and net realizable value. The net realizable value is determined based on estimates of expected selling prices and estimated costs of sale, including costs directly related to making the sale. Additionally, the net realizable value of obsolete inventory is also estimated. These estimates are based on current market conditions and past experience. (Note 11)

(2) Provisions

As of the end of the reporting period, a provision for liabilities related to warranty repairs and similar obligations has been recorded. This provision is determined based on estimates grounded in historical experience and other relevant factors that may affect the expected costs associated with such liabilities. (Note 17)

(3) Impairment of goodwill and non-financial assets

At the end of each reporting period, the Group assesses whether there is any indication of impairment for all non-financial assets. Goodwill and intangible assets with indefinite useful lives are tested for impairment annually, or whenever there is an indication of impairment. Other non-financial assets are tested for impairment when there are indications that the carrying amount may not be recoverable.

To determine value in use, management estimates the future expected cash flows from the asset or cash-generating unit and selects an appropriate discount rate to calculate the present value of those future expected cash flows (see Note 14).

(4) Fair value of financial instruments

The fair value of financial instruments not traded in an active market is, in principle, determined using valuation techniques. As of the reporting date, the Group makes judgments on the selection of various valuation techniques and assumptions based on prevailing market conditions (see Note 5).

(5) Net defined benefit liabilities

The present value of net defined benefit liabilities is affected by various factors determined using actuarial methods, particularly changes in the discount rate (see Note 28).

5. Financial Instruments

Disclosure of Financial Assets

2024 (Unit: KRW)

					Financial assets	Fair value
Category	Financial assets at amortized cost	Classification	Cash and cash equivalents		231,467,734,679	
			Short-term financial instruments		160,000,000,000	
			Trade receivables		24,923,491,653	
			Other receivables		13,917,797,980	
		Sub-total			430,309,024,312	
	Financial assets at FVOCI	Classification	Cash and cash equivalents			
			Short-term financial instruments			
			Trade receivables		423,875,255,010	
			Other receivables			
		Sub-total				
Total					854,184,279,322	

2023 (Unit: KRW)

					Financial assets	Fair value
Category	Financial assets at amortized cost	Classification	Cash and cash equivalents		180,939,531,955	
			Short-term financial instruments		120,000,000,000	
			Trade receivables		19,305,133,211	
			Other receivables		15,450,767,609	
		Sub-total			335,695,432,775	
	Financial assets at FVOCI	Classification	Cash and cash equivalents			
			Short-term financial instruments			
			Trade receivables		185,663,383,226	
			Other receivables			
		Sub-total				
Total					521,358,816,001	

Disclosure of Financial Liabilities

2024 (Unit: KRW)

					Financial assets	Fair value
Category	Financial liabilities at amortized cost	Classification	Trade receivables		153,443,980,008	
			Other receivables		108,534,872,207	
			Derivative liabilities			
			Lease liabilities		261,978,852,215	
		Sub-total				
	Financial liabilities at FVTPL	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities		13,642,987,958	13,642,987,958
			Lease liabilities			
		Sub-total				
	Financial liabilities outside the scope of IFRS 7	Classification	Trade receivables			
			Other receivables			
			Derivative liabilities			
			Lease liabilities		33,989,501,242	
		Sub-total				
Total					309,611,341,415	

2023 (Unit: KRW)

					Financial assets	Fair value
Category	Financial liabilities at amortized cost	Classification	Trade receivables		97,600,609,220	
			Other receivables		30,945,625,670	
			Derivative liabilities			
			Lease liabilities			
		Sub-total			128,546,234,890	

	Financial liabilities at FVTPL	Classification	Trade receivables		
			Other receivables		
			Derivative liabilities	0	0
			Lease liabilities		
		Sub-total			
	Financial liabilities outside the scope of IFRS 7	Classification	Trade receivables		
			Other receivables		
			Derivative liabilities		
			Lease liabilities	19,183,732,432	
		Sub-total			
Total				147,729,967,322	

Net Profit and Loss by Financial Instrument Category

2024 (Unit: KRW)

	Category	Interest income (Interest expense)	Other income
Assets and liabilities	Financial assets measured at FVOCI	0	10,020,435,931
	Financial assets measured at amortized cost	17,621,299,502	3,406,603,191
	Lease receivables	0	0
	Financial liabilities measured at amortized cost	(859,658,505)	(15,127,393,712)
	Derivatives for hedging purposes	0	(12,537,966,771)
	Lease liabilities	(828,378,977)	0
Total		15,933,262,020	(14,238,321,361)

2023 (Unit: KRW)

	Category	Interest income (Interest expense)	Other income
Assets and liabilities	Financial assets measured at FVOCI	0	(22,728,349,613)
	Financial assets measured at amortized cost	11,280,582,279	3,339,920,234
	Lease receivables	18,612,222	0
	Financial liabilities measured at amortized cost	0	(2,120,398,173)
	Derivatives for hedging purposes	0	0
	Lease liabilities	(345,754,318)	0
Total		10,953,440,183	(21,508,827,552)

Disclosure of Detailed Information on Hedging Instruments

(Unit: KRW)

									Contract amount [USD 1 million]	Contract exchange rate	Account title	Hedge start date	Hedge end date	Hedging instrument – asset	Hedging instrument – liability
Hedge	Fair Value	Instrument	Derivative	Currency Forward	Counterparty	Shinhan Bank and 1 other	Scope	Sub scope		1,298.70					
								Main scope		1,456.75					
							Sub-total		138		Other financial assets / liabilities	11.09.2024~26.12.2024	11.09.2024~07.04.2025	0	13,642,987,958
														0	13,642,987,958

Disclosure of Detailed Information on Hedged Items

(Unit: KRW)

							Carrying amount	Fair value change (pre-tax)
Hedge	Fair value	Instrument	Derivative	Currency forward	Hedged item	Trade receivables	202,807,648,817	13,642,987,958

Disclosure of the Amounts Recognized in the Statement of Comprehensive Income as a Result of Hedge Accounting

(Unit: KRW)

					Profit or loss recognition account	Amount recognized in profit or loss as ineffective portion of the hedge	Change in fair value of derivatives (pre-tax)
Hedge	Fair value	Instrument	Derivative	Currency forward	Gain/loss on valuation of derivatives	0	(13,642,987,958)

Disclosure of 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 31 December 2024.

6. Management of Financial Risk

Disclosure of the Nature and Extent of Risks Arising from Financial Instruments

	Risk		Market risk		Total risk
	Credit risk	Liquidity risk	Currency risk	Interest rate risk	
			Foreign exchange risk	Interest rate risk	
Description of exposure to risks	Credit risk refers to research risk where clients or the other party on the contract can inflict a financial loss on the Group by failure to fulfill contractual obligations regarding financial instruments. It mainly arises from trade receivables and investment assets to customers.	Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.	Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. The Group's market risk exposures include foreign currency risk and interest rate risk. The Group is exposed to foreign currency risk mainly from sales and purchases denominated in foreign currencies. Transactions denominated in USD are the most significant.	Most of the Group's borrowings bear fixed interest rates. Therefore, the Group is not significantly exposed to interest rate fluctuations. However, changes in interest rates may indirectly affect the Group's results of operations and cash flows.	The Group is exposed to various financial risks such as market risk, credit risk, and liquidity risk due to its multiple activities, and its overarching risk management policy focuses on minimizing the potentially adverse effects on its financial performance. The Group uses derivatives to manage specific risks.

Objectives, policies and processes for managing risk	The Group manages credit risk by operating a consistent credit policy across the organization. For corporate customers, external credit ratings are used where available, and for other customers, credit ratings are assessed internally based on financial position and past experience. Credit limits for each customer are set by management according to internal and external credit ratings, and compliance with these limits is reviewed regularly by management.	The Group's approach to liquidity management is to maintain sufficient liquidity to enable the settlement of liabilities at maturity without incurring abnormally excessive losses or causing reputational damage, even under financially difficult circumstances. The Group manages liquidity risk by maintaining adequate cash and cash equivalents as well as short-term financial instruments.			Risk management is conducted by the Group's finance department following policies approved by management. This department works closely with the operational units of the Group to identify, evaluate, and hedge financial risks. Management reviews and approves documented policies regarding overall risk management, including strategies for managing exchange rate risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investments that exceed liquidity needs.
Description of concentration of risk	The Group's credit risk is significantly concentrated with major customers. All debt instruments held by the Group are classified as low credit risk instruments. For these debt instruments, credit ratings are monitored to assess any deterioration in credit risk.				

Description of the nature of assets held as a result of the enforcement of collateral or other credit enhancements	For certain trade receivables, the Group has obtained credit enhancements such as guarantees or letters of credit, which can be enforced if the counterparty defaults on the contract.				

The Group has the following financial assets to which the expected credit loss model is applied.

- Trade receivables for the provision of goods and services
- Other financial assets measured at amortized cost.
- Debt instruments measured at FVOCI

Cash equivalents are also subject to the impairment provisions, but the identified expected credit loss is insignificant.

Disclosure of Past Due or Impaired Financial Assets

	Classification			
	Trade receivables		Financial assets measured at amortized cost	
	Category			
	Financial assets measured at amortized cost	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets measured at FVOCI
Description of the inputs, assumptions, and estimation techniques used to determine whether a financial asset is credit-impaired	The Group applies the simplified approach to recognize lifetime expected credit losses as a loss allowance for trade receivables.	Debt instruments measured at fair value through other comprehensive income (FVOCI) include trade receivables subject to lifetime expected credit losses, for which the simplified approach is applied. Loss allowances for debt instruments measured at FVOCI are recognized in profit or loss and reduce the amount that would otherwise have been recognized in other comprehensive income as a fair value loss. There have been no changes in the loss allowances for debt instruments measured at FVOCI.	Other financial assets measured at amortized cost include employee loans and other receivables. There have been no changes in the loss allowances for other financial assets measured at amortized cost. These financial assets are all considered to be of low credit risk, and therefore, loss allowances have been recognized based on 12-month expected credit losses.	

Disclosure of the Aging of Trade Receivables

2024 (Unit: KRW)

	Age								
	Current			Within 3 months			Over 3 months to 6 months		
	Carrying amount		Total	Carrying amount		Total	Carrying amount		Total
	Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss	
Trade receivables	434,581,197,048	0	434,581,197,048	14,217,549,615	0	14,217,549,615	0	0	0

2023 (Unit: KRW)

	Age								
	Current			Within 3 months			Over 3 months to 6 months		
	Carrying amount		Total	Carrying amount		Total	Carrying amount		Total
	Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss		Gross carrying amount	Accumulated impairment loss	
Trade receivables	199,850,894,120	0	199,850,894,120	4,829,918,031	0	4,829,918,031	287,704,286	0	287,704,286

Summary Information on Trade Receivables

2024 (Unit: KRW)

	Gross carrying amount	Accumulated impairment loss	Total
Trade receivables	448,798,746,663	0	448,798,746,663

2023 (Unit: KRW)

	Gross carrying amount	Accumulated impairment loss	Total
Trade receivables	204,968,516,437	0	204,968,516,437

Disclosure of Credit Risk Exposure

2024 (Unit: KRW)

		Maximum exposure to credit risk
Financial instruments	Cash and cash equivalents	231,467,734,679
	Short-term financial instruments	160,000,000,000
	Trade receivables	448,798,746,663
	Other receivables	13,917,797,980
Total		854,184,279,322

2023 (Unit: KRW)

		Maximum exposure to credit risk
Financial instruments	Cash and cash equivalents	180,939,531,955
	Short-term financial instruments	120,000,000,000
	Trade receivables	204,968,516,437
	Other receivables	15,450,767,609
Total		521,358,816,001

Disclosure of Maturity Analysis of Financial Liabilities

2024 (Unit: KRW)

	Within 1 year	1–5 years	Total

Trade payables, undiscounted cash outflows	153,443,980,008	0	153,443,980,008
Other payables, undiscounted cash outflows	75,928,479,968	35,294,221,795	111,222,701,763
Derivative financial liabilities, undiscounted cash outflows	13,642,987,958	0	13,642,987,958
Total	243,015,447,934	35,294,221,795	278,309,669,729

2023 (Unit: KRW)

	Within 1 year	1–5 years	Total
Trade payables, undiscounted cash outflows	97,600,609,220	0	97,600,609,220
Other payables, undiscounted cash outflows	29,120,305,670	1,825,320,000	30,945,625,670
Derivative financial liabilities, undiscounted cash outflows			
Total	126,720,914,890	1,825,320,000	128,546,234,890

Summary Disclosure of Financial Liabilities

2024 (Unit: KRW)

	Disclosure amount
Trade payables	153,443,980,008
Other payables	108,534,872,207
Derivative financial liabilities	13,642,987,958
Total	275,621,840,173

2023 (Unit: KRW)

	Disclosure amount
Trade payables	97,600,609,220
Other payables	30,945,625,670
Derivative financial liabilities	0
Total	128,546,234,890

Disclosure of Market Risk

Sensitivity analysis of market risks exposed as of 31 December

2024 (Unit: KRW)

	Risk		Total
	Market risk		
	Foreign exchange risk	Interest rate risk	
	Functional currency or presentation currency		
	USD		
Sensitivity analysis for each	When the exchange rate	Most of the Group's	As of the 31 December

type of market risk	increases or decreases by 5%,	interest-bearing assets are fixed-rate instruments. Accordingly, the Group's profit and operating cash flows are substantially independent of changes in market interest rates.	2024 and 2023 reporting periods, if the KRW had strengthened or weakened against the Group's primary foreign currency exposure, USD, the Group's equity and profit or loss would have increased or decreased accordingly. This analysis assumes a reasonably possible change in foreign exchange rates as determined by the Group at the reporting date. In performing the sensitivity analysis, it was assumed that other variables, such as interest rates, remain unchanged. The impact of changes in the KRW/USD exchange rate on profit or loss (before income tax) as of 31 December 2024 and 2023 reporting periods is as follows
Increase in market variable – profit increase			
Increase in market variable – profit decrease	(210,632,053)		
Decrease in market variable – profit increase	210,632,053		
Decrease in market variable – profit decrease			

2023 (Unit: KRW)

	Risk		Total
	Market risk		
	Foreign exchange risk	Interest rate risk	
	Functional currency or presentation currency		
	USD		
Sensitivity analysis for each type of market risk	When the exchange rate increases or decreases by 5%,		
Increase in market variable – profit increase	3,797,962,003		
Increase in market variable – profit decrease			
Decrease in market variable – profit increase			
Decrease in market variable –	(3,797,962,003)		

profit decrease			

Details of Foreign Currency Financial Assets by Currency

2024 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Cash and cash equivalents	10,726,405,015	
						Trade receivables	341,179,382,357	
						Other receivables	5,911,502	
					Subtotal		351,911,698,874	
Total								1,470.00

2023 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Cash and cash equivalents	3,870,662,689	
						Trade receivables	103,830,408,652	
						Other receivables	141,642,860	
					Subtotal		107,842,714,201	
Total								1,289.40

Details of Foreign Currency Financial Liabilities by Currency

2024 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Trade payables	73,824,020,002	
						Other payables	79,492,671,119	
					Subtotal		153,316,691,121	
Total								1,470.00

2023 (Unit: KRW)

							Foreign currency financial assets, KRW equivalent amount	Closing exchange rate
Risk	Market risk	Exchange risk	Functional currency or presentation currency	USD	Assets and liabilities	Trade payables	27,800,620,954	
						Other payables	4,108,947,008	
					Subtotal		31,909,567,962	

Total		1,289.40

Disclosure of Capital Risk Management

2024 (Unit: KRW)

Qualitative information on the objectives, policies, and processes for managing capital	The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, while minimizing the cost of capital, maximizing shareholder value, and maintaining an optimal capital structure. The Group manages its capital based on the debt-to-equity ratio, which is calculated as total liabilities divided by total equity in the statement of financial position. The Group's debt-to-equity ratio at the end of the current and prior reporting periods is as follows
Total liabilities	420,215,422,354
Total equity	1,079,586,526,506
Debt-to-equity ratio	0.3892

2023 (Unit: KRW)

Qualitative information on the objectives, policies, and processes for managing capital	The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, while minimizing the cost of capital, maximizing shareholder value, and maintaining an optimal capital structure. The Group manages its capital based on the debt-to-equity ratio, which is calculated as total liabilities divided by total equity in the statement of financial position. The Group's debt-to-equity ratio at the end of the current and prior reporting periods is as follows
Total liabilities	228,301,207,505
Total equity	976,763,737,232
Debt-to-equity ratio	0.2337

7. Cash and Cash Equivalents

Disclosure of Cash and Cash Equivalents

2024

(Unit: KRW)

Category	Disclosed amount
Demand deposit	10,967,734,679
Term deposit, etc.	220,500,000,000
Cash and cash equivalents	231,467,734,679

2023

(Unit: KRW)

Category	Disclosed amount
Demand deposit	4,139,531,955
Term deposit, etc.	176,800,000,000
Cash and cash equivalents	180,939,531,955

8. Trade and Other Receivables

Disclosure of Trade and Other Receivables

2024 (Unit: KRW)

		Disclosed amount
Total trade and other current receivables		454,060,707,888
Total trade and other current receivables	Current trade receivables	448,798,746,663
	Current receivables	2,168,747,776
	Current accrued income	2,053,758,755
	Current loans	1,039,454,694
	Short-term deposits	0
Total trade and other non-current receivables		8,655,836,755
Total trade and other non-current receivables	Non-current trade receivables	0
	Long-tern receivables	0
	Non-current loans	2,182,302,305
	Non-current deposits	6,473,534,450

2023 (Unit: KRW)

		Disclosed amount
Total trade and other current receivables		208,386,437,977
Total trade and other current receivables	Current trade receivables	204,968,516,437
	Current receivables	472,991,393
	Current accrued income	1,405,679,868
	Current loans	1,539,250,279
	Short-term deposits	0
Total trade and other non-current receivables		12,032,846,069
Total trade and other non-current receivables	Non-current trade receivables	0
	Long-tern receivables	0
	Non-current loans	4,156,782,820
	Non-current deposits	7,876,063,249

9. Other Assets

Disclosure of Other Assets

2024 (Unit: KRW)

		Disclosed amount
Other current assets		58,641,386,730
Other current assets	Current advanced payments	5,383,048,147
	Current prepaid expenses	53,258,338,583
Other non-current assets		52,558,047,520
Other non-current assets	Non-current advanced payments	4,169,868,654
	Non-current prepaid expenses	48,388,178,866

2023 (Unit: KRW)

		Disclosed amount
Other current assets		52,350,652,620
Other current assets	Current advanced payments	9,339,467,647
	Current prepaid expenses	43,011,184,973
Other non-current assets		8,960,441,666
Other non-current assets	Non-current advanced payments	7,432,141,290
	Non-current prepaid expenses	1,528,300,376

10. Inventories

Disclosure of Inventories

2024 (Unit: KRW)

Category	Total carrying amount	Allowance for inventory valuation	Total carrying amount after allowance
Finished goods	82,031,918,754		
Work in process	184,855,124,846		
Merchandise	107,624,679		
Right to recover returned goods	21,168,050		
Total		(55,576,019,752)	211,439,816,577

2023 (Unit: KRW)

Category	Total carrying amount	Allowance for inventory valuation	Total carrying amount after allowance
Finished goods	102,920,500,226		
Work in process	307,978,195,302		
Merchandise	131,692,031		
Right to recover returned goods	21,168,050		
Total		(75,160,516,138)	335,891,039,471

Disclosure of Gains and Losses on Inventory Valuation

2024 (Unit: KRW)

	Cost of sales
Provision (reversal) for inventory valuation allowance	(19,584,496,386)
Loss on disposal of inventories	19,445,888,563
Cost of inventories recognized as expense during the period	1,269,135,000,000

2023 (Unit: KRW)

	Cost of sales
Provision (reversal) for inventory valuation allowance	37,064,855,477
Loss on disposal of inventories	12,255,967,546
Cost of inventories recognized as expense during the period	1,330,785,000,000

11. Investment in Associates and Joint Ventures

Details of Investment in Subsidiaries

(Unit: KRW)

Company name	Location	Major business activity	Month of account closing	31 December 2024		31 December 2023	
				Ratio (%)	Book value	Ratio (%)	Book value
LX Semicon U.S.A., Inc	Korea	Semiconductor Design and Manufacturing	12	100.00	137,322,045	100.00	137,322,045
LX Semicon China Co., Ltd.	China	Semiconductor Design and Manufacturing	12	100.00	2,179,314,000	100.00	2,179,314,000
LX Semicon Japan Co., Ltd.	Japan	Semiconductor Design and Manufacturing	12	100.00	1,215,486,000	100.00	1,215,486,000
LX Semicon Taiwan Co., Ltd.(*)	Taiwan	Semiconductor Design and Manufacturing	12	100.00	716,890,000		
Total					4,249,012,045		3,532,122,045

(*) LX Semicon Taiwan Co., Ltd. was established during 2024, and the Company newly acquired a 100% ownership interest.

Details of Investment in Associates and Joint Ventures

(Unit: KRW)

Company name	Location	Major business activity	Month of account closing	31 December 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

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

Changes in Investments in Subsidiaries, Associates and Joint Ventures

(Unit: KRW)		
Category	2024	2023
1 January	47,234,995,045	41,547,945,045
Acquisition	716,890,000	5,687,050,000
31 December	47,951,885,045	47,234,995,045

12. Tangible Assets

Disclosure of Detailed Tangible Assets

2024 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Tangible assets		174,741,366,569	(64,315,767,766)	(813,617,466)	(92,049,148)	109,519,932,189
Tangible assets	Land	34,966,570,226	0	0	0	34,966,570,226
	Building	30,772,479,731	(4,501,557,898)	(69,499,544)	0	26,201,422,289
	Structures	1,310,147,116	(51,224,183)	0	(91,881,914)	1,167,041,019
	Machinery	65,947,313,105	(33,084,284,791)	(744,117,922)	(31,678)	32,118,878,714
	Equipment	24,940,596,782	(19,510,016,539)	0	(135,556)	5,430,444,687
	Other tangible assets	11,873,251,567	(7,168,684,355)	0	0	4,704,567,212
	CIP	4,931,008,042	0	0	0	4,931,008,042

2023 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Tangible assets		155,591,405,795	(52,067,934,204)	(184,150,842)	(153,845,793)	103,185,474,956
Tangible assets	Land	34,966,570,226	0	0	0	34,966,570,226
	Building	24,579,991,111	(3,628,493,645)	(29,562,901)	0	20,921,934,565
	Structures	464,190,636	(29,980,448)	0	(77,278,600)	356,931,588
	Machinery	51,712,498,038	(24,634,447,413)	0	(31,678)	27,078,018,947
	Equipment	24,762,783,843	(17,223,451,338)	0	(1,535,515)	7,537,796,990
	Other tangible assets	9,785,535,434	(6,551,561,360)	0	(75,000,000)	3,158,974,074
	CIP	9,319,836,507	0	(154,587,941)	0	9,165,248,566

Disclosure of Changes in Tangible Assets

2024 (Unit: KRW)

	Land	Building	Structure	Machinery	Equipment	Other tangible assets	CIP	Total
Beginning net book value	34,966,570,226	20,921,934,565	356,931,588	27,078,018,947	7,537,796,990	3,158,974,074	9,165,248,566	103,185,474,956
Acquisition	0	0	(19,482,000)	0	0	0	21,769,022,923	21,749,540,923
Disposal	0	0	0	(568,707,625)	(1,061,575)	34,999,000	0	(534,770,200)
Transfer from CIP	0	6,192,488,620	845,956,480	15,151,378,596	1,140,559,982	2,672,879,769	(26,003,263,447)	0
Depreciation	0	(873,064,253)	(16,365,049)	(8,797,693,282)	(3,246,850,710)	(1,162,285,631)	0	(14,096,258,925)
Other adjustments	0	(39,936,643)	0	(744,117,922)	0	0	0	(784,054,565)
Ending net book value	34,966,570,226	26,201,422,289	1,167,041,019	32,118,878,714	5,430,444,687	4,704,567,212	4,931,008,042	109,519,932,189

2023 (Unit: KRW)

	Land	Building	Structure	Machinery	Equipment	Other tangible assets	CIP	Total

Beginning net book value	35,051,121,092	18,006,736,063	167,116,232	28,137,736,217	8,672,245,609	3,672,000,716	9,712,038,822	103,418,994,751
Acquisition	0	3,507,964,029	(77,928,000)	3,709,886,030	2,346,333,910	646,346,182	14,658,476,606	24,791,078,757
Disposal	(84,550,866)	(45,909,682)	0	(14,095,325,117)	(519,866)	0	(26,500,000)	(14,252,805,531)
Transfer from CIP	0	229,551,300	275,890,636	14,518,736,985	0	0	(15,024,178,921)	0
Depreciation	0	(746,844,244)	(8,147,280)	(6,849,149,332)	(3,480,262,663)	(1,159,372,824)	0	(12,243,776,343)
Other adjustments	0	(29,562,901)	0	1,656,134,164	0	0	(154,587,941)	1,471,983,322
Ending net book value	34,966,570,226	20,921,934,565	356,931,588	27,078,018,947	7,537,796,990	3,158,974,074	9,165,248,566	103,185,474,956

Allocation of Depreciation Expenses by Function

2024 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Depreciation expenses, tangible assets	174,338,986	13,921,919,939	14,096,258,925
Depreciation included in research and development expenses		10,218,000,000	

2023 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Depreciation expenses, tangible assets	299,969,134	11,943,807,209	12,243,776,343
Depreciation included in research and development expenses		8,250,000,000	

13. Intangible Assets

Disclosure of Detailed Intangible Assets

2024 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Total intangible assets and goodwill		144,294,132,320	(60,735,623,302)	(13,838,800)	(20,635,126)	83,524,035,092
Total intangible assets and goodwill	Goodwill	27,913,122,677	0	0	0	27,913,122,677
	Industrial property rights	14,495,063,049	(4,091,073,839)	0	(20,635,126)	10,383,354,084
	Software	50,448,604,646	(21,404,263,125)	0	0	29,044,341,521
	Membership rights	4,856,858,800	0	(13,838,800)	0	4,843,020,000
	Other intangible assets	36,014,460,000	(35,240,286,338)	0	0	774,173,662
	Intangible assets under construction	10,566,023,148	0	0	0	10,566,023,148

2023 (Unit: KRW)

		Acquisition cost	Accumulated depreciation and amortization	Accumulated impairment loss	Government grants	Total carrying amount
Total intangible assets and goodwill		125,955,674,314	(51,892,599,912)	(243,581,400)	(24,677,225)	73,794,815,777
Total intangible assets and goodwill	Goodwill	27,913,122,677	0	0	0	27,913,122,677
	Industrial property rights	10,186,296,724	(2,933,678,680)	0	(18,631,214)	7,233,986,830
	Software	27,613,608,146	(13,858,034,892)	0	0	13,755,573,254

	Membership rights	4,354,074,600	0	(243,581,400)	0	4,110,493,200
	Other intangible assets	35,114,460,000	(35,100,886,340)	0	0	13,573,660
	Intangible assets under construction	20,774,112,167	0	0	(6,046,011)	20,768,066,156

Disclosure of Changes in Intangible Assets and Goodwill

2024 (Unit: KRW)

		Goodwill	Industrial property rights	Software	Membership rights	Other intangible assets	Intangible assets under construction	Total
Changes in intangible assets and goodwill								
Changes in intangible assets and goodwill	Beginning net book value	27,913,122,677	7,233,986,830	13,755,573,254	4,110,493,200	13,573,660	20,768,066,156	73,794,815,777
	Acquisition	0	0	0	0	0	19,112,400,128	19,112,400,128
	Disposal	0	0	(11,319,003)	(289,473,200)	0	(127,514,702)	(428,306,905)
	Transfer from CIP	0	4,303,501,934	22,961,426,500	1,022,000,000	900,000,000	(29,186,928,434)	0
	Depreciation	0	(1,154,134,680)	(7,661,339,230)	0	(139,399,998)	0	(8,954,873,908)
	Ending net book value	27,913,122,677	10,383,354,084	29,044,341,521	4,843,020,000	774,173,662	10,566,023,148	83,524,035,092

2024 (Unit: KRW)

		Goodwill	Industrial property rights	Software	Membership rights	Other intangible assets	Intangible assets under construction	Total
Changes in intangible assets and goodwill								
Changes in intangible assets and goodwill	Beginning net book value	27,913,122,677	3,913,431,615	13,963,758,394	4,110,493,200	2,038,694,993	11,681,754,029	63,621,254,908
	Acquisition	0	30,085,964	1,277,525,594	0	0	16,213,762,114	17,521,373,672
	Disposal	0	(715,626)	0	0	0	(141,448,799)	(142,164,425)
	Transfer from CIP	0	4,081,004,170	2,904,997,018	0	0	(6,986,001,188)	0
	Depreciation	0	(789,819,293)	(4,390,707,752)	0	(2,025,121,333)	0	(7,205,648,378)
	Ending net book value	27,913,122,677	7,233,986,830	13,755,573,254	4,110,493,200	13,573,660	20,768,066,156	73,794,815,777

Allocation of Amortization Expenses of Intangible Assets by Function

2024 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Other amortization expenses, intangible assets excluding goodwill	47,916,105	8,906,957,803	8,954,873,908
Depreciation included in research and development expenses		2,137,000,000	

2023 (Unit: KRW)

	Cost of sales	Selling and administrative expenses	Total by function
Other amortization expenses, intangible assets excluding	2,043,939,078	5,161,709,300	7,205,648,378

goodwill			
Depreciation included in research and development expenses		1,706,000,000	

Disclosure of Intangible Assets with Indefinite Useful Lives

	Goodwill and membership rights
For intangible assets with indefinite useful lives, the basis for determining such classification is disclosed as follows.	The Group classifies goodwill and membership rights among intangible assets as having indefinite useful lives and, therefore, does not amortize them. Together with intangible assets not yet available for use, such as intangible assets under construction, these assets are tested for impairment annually. No impairment losses were recognized on goodwill, intangible assets under construction, or membership rights during the current and prior reporting periods.

14. Lease

Disclosure of Summary Information on Right-of-Use Assets

2024 (Unit: KRW)

	Asset					
	Building			Vehicles and transportation		
	Carrying amount		Total carrying amount	Carrying amount		Total carrying amount
	Acquisition	Accumulated depreciation		Acquisition	Accumulated depreciation	
Right-of-use assets	38,634,128,373	(5,068,285,208)	33,565,843,165	1,246,926,184	(570,556,441)	676,369,743

2023 (Unit: KRW)

	Asset					
	Building			Vehicles and transportation		
	Carrying amount		Total carrying amount	Carrying amount		Total carrying amount
	Acquisition	Accumulated depreciation		Acquisition	Accumulated depreciation	
Right-of-use assets	26,612,065,194	(7,622,051,397)	18,990,013,797	1,321,959,491	(668,852,071)	653,107,420

Disclosure of Right-of-Use Assets

2024 (Unit: KRW)

	Acquisition	Accumulated depreciation	Total carrying amount
Right-of-Use Assets	39,881,054,557	(5,638,841,649)	34,242,212,908

2023 (Unit: KRW)

	Acquisition	Accumulated depreciation	Total carrying amount
Right-of-Use Assets	27,934,024,685	(8,290,903,468)	19,643,121,217

Disclosure of Quantitative Information on Right-of-Use Assets

2024 (Unit: KRW)

	Building	Vehicles and transportation	Total assets
Beginning net book value	18,990,013,797	653,107,420	19,643,121,217
Acquisition	22,401,838,981	623,913,640	23,025,752,621
Decrease (Termination of contract)	(169,402,835)	(157,078,851)	(326,481,686)
Depreciation	(7,656,606,778)	(443,572,466)	(8,100,179,244)
Ending net book value	33,565,843,165	676,369,743	34,242,212,908

2023 (Unit: KRW)

	Building	Vehicles and transportation	Total assets
Beginning net book value	13,416,799,949	787,893,980	14,204,693,929
Acquisition	13,222,636,036	520,688,005	13,743,324,041
Decrease (Termination of contract)	(179,009,801)	(147,511,726)	(326,521,527)
Depreciation	(7,470,412,387)	(507,962,839)	(7,978,375,226)
Ending net book value	18,990,013,797	653,107,420	19,643,121,217

Amounts Recognized in Profit or Loss Relating to Finance Leases

2024 (Unit: KRW)

	Disclosed amount
Depreciation on licensed assets	8,100,179,244
Interest expense on lease liabilities	828,378,977
Expenses related to short-term leases and small assets lease	193,755,403
Lease cash outflows	8,283,000,000

2023 (Unit: KRW)

	Disclosed amount
Depreciation on licensed assets	7,978,375,226
Interest expense on lease liabilities	345,754,318
Expenses related to short-term leases and small assets lease	202,022,677
Lease cash outflows	7,795,000,000

15. Lease Liabilities

Disclosure of Maturity Analysis of Lease Liabilities
2024 (Unit: KRW)

		Total lease liabilities
Period	Within 1 year	9,350,497,170
	1–5 years	27,648,382,353
	5–10 years	0

Total across all periods	36,998,879,523

2023 (Unit: KRW)

		Total lease liabilities
Period	Within 1 year	7,454,625,972
	1–5 years	13,314,870,272
	5–10 years	232,977,900
Total across all periods		21,002,474,144

16. Trade and Other Payables

Disclosure of Trade and Other Payables

2024 (Unit: KRW)

		Disclosed amount
Total current payables		256,649,047,777
Total current payables	Current trade payables	153,443,980,008
	Other current accrued expenses	94,049,257,308
	Current dividends payable	80,315
	Current accrued liabilities	9,155,730,146
	Short-term deposits received	0
Total trade and other non-current payables		34,505,887,888
Total trade and other non-current payables	Non-current trade payables	0
	Other non-current accrued expenses	32,632,512,188
	Non-current accrued liabilities	0
	Non-current deposits received	1,873,375,700

2023 (Unit: KRW)

		Disclosed amount
Total current payables		143,899,431,790
Total current payables	Current trade payables	97,600,609,220
	Other current accrued expenses	34,860,777,279
	Current dividends payable	0
	Current accrued liabilities	11,438,045,291
	Short-term deposits received	0
Total trade and other non-current payables		1,825,320,000
Total trade and other non-current payables	Non-current trade payables	0
	Other non-current accrued expenses	0
	Non-current accrued liabilities	0
	Non-current deposits received	1,825,320,000

17. Other Liabilities

Disclosure of Other Liabilities

2024 (Unit: KRW)

		Disclosed amount
Total current liabilities		50,866,220,497
Total current liabilities	Current advances customers	11,808,381,167
	Short-term deposits received	5,429,097,595
	Current provisions	33,628,741,735
Total non-current liabilities		6,423,283,638
Total non-current liabilities	Non-current provisions	2,964,725,174
	Long-term employee salary liabilities	3,458,558,464

2023 (Unit: KRW)

		Disclosed amount
Total current liabilities		32,374,334,511
Total current liabilities	Current advances customers	12,215,669,884
	Short-term deposits received	4,681,660,665
	Current provisions	15,477,003,962
Total non-current liabilities		5,657,823,936
Total non-current liabilities	Non-current provisions	2,498,715,452
	Long-term employee salary liabilities	3,159,108,484

18. Other Provisions

Disclosure of Other Provisions

2024 (Unit: KRW)

	Provision for sales warrant	Provision for return	Provisions for restoration	Other (loss) provisions	Total
1 January	15,286,080,704	190,923,258	2,498,715,452	0	17,975,719,414
Establishment (reversal)	28,102,794,230	(28,342,261)	486,909,722	2,917,682,228	31,479,043,919
Paid	(12,840,396,424)	0	(20,900,000)	0	(12,861,296,424)
Exchange rate differences	30,548,478,510	162,580,997	2,964,725,174	2,917,682,228	36,593,466,909
Description of the nature of provisions	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.			

2023 (Unit: KRW)

	Provision for sales warrant	Provision for return	Provisions for restoration	Other (loss) provisions	Total
1 January	912,979,618	225,052,329	2,502,515,452		3,640,547,399
Establishment (reversal)	19,047,603,840	(34,129,071)	0		19,013,474,769
Paid	(4,674,502,754)	0	(3,800,000)		(4,678,302,754)
Exchange rate differences	15,286,080,704	190,923,258	2,498,715,452	0	17,975,719,414
Description of the nature of provisions	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.			

19. Capital and Capital Surplus

Disclosure of the Classification of Shares

2024 (Unit: KRW)

	Common share
No. of authorized shares	50,000,000 shares
Amount per share	500
No. of shares issued	16,264,300 shares
Capital	8,132,150,000

2023 (Unit: KRW)

	Common share
No. of authorized shares	50,000,000 shares
Amount per share	500
No. of shares issued	16,264,300 shares
Capital	8,132,150,000

Disclosure of Capital Surplus

2024 (Unit: KRW)

		Disclosed amount
Capital surplus		76,343,170,500
Capital surplus	Share premium	66,560,617,129
	Other capital surplus	9,782,553,371

2023 (Unit: KRW)

		Disclosed amount
Capital surplus		76,343,170,500
Capital surplus	Share premium	66,560,617,129
	Other capital surplus	9,782,553,371

Disclosure of Accumulated Other Comprehensive Income

2024 (Unit: KRW)

	Disclosed amount
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)

2023 (Unit: KRW)

	Disclosed amount
Gain (loss) on valuation of financial assets measured at FVTOCI	(380,807,731)

20. Retained Earnings

Disclosure of Retained Earnings

2024 (Unit: KRW)

	Disclosed amount
Statutory reserves	4,066,075,000
Unappropriated retained earnings	979,714,548,587
Total	983,780,623,587

2023 (Unit: KRW)

	Disclosed amount
Statutory reserves	4,066,075,000
Unappropriated retained earnings	879,456,802,875
Total	883,522,877,875

Details of Changes in The Unappropriated Retained Earnings

2024 (Unit: KRW)

	Disclosed amount
Beginning balance	879,456,802,875
Dividends paid	(29,275,740,000)
Net income	129,168,627,220
Remeasurements of defined benefit plans	364,858,492
Ending amount	979,714,548,587

2023 (Unit: KRW)

	Disclosed amount
Beginning balance	856,649,651,358
Dividends paid	(73,189,350,000)

Net income	97,316,388,001
Remeasurements of defined benefit plans	(1,319,886,484)
Ending amount	879,456,802,875

Statement of Appropriation of Retained Earnings

2024 (Unit: KRW)

		Disclosed amount
Undistributed retained earnings		979,714,548,587
Undistributed retained earnings	Beginning balance of retained earnings carried forward	850,181,062,875
	Current net income	129,168,627,220
	Remeasurement components of defined benefit plans	364,858,492
Appropriation of retained earnings		(39,034,320,000)
Appropriation of retained earnings	Dividends to be paid on common stock	(39,034,320,000)
	Dividends paid on common stock	
Undistributed retained earnings carried forward to next period		940,680,228,587
Scheduled date of appropriation		2025-03-20
Confirmed date of appropriation		

2023 (Unit: KRW)

		Disclosed amount
Undistributed retained earnings		879,456,802,875
Undistributed retained earnings	Beginning balance of retained earnings carried forward	783,460,301,358
	Current net income	97,316,388,001
	Remeasurement components of defined benefit plans	(1,319,886,484)
Appropriation of retained earnings		(29,275,740,000)
Appropriation of retained earnings	Dividends to be paid on common stock	
	Dividends paid on common stock	(29,275,740,000)
Undistributed retained earnings carried forward to next period		850,181,062,875
Scheduled date of appropriation		
Confirmed date of appropriation		2024-03-21

21. Dividend

Disclosure of Dividend

2024 (Unit: KRW)

	Annual dividend
Number of shares eligible for dividends	16,264,300
Par value per share	500
Dividend payout ratio	4.8
Dividend per share	2,400

Total dividends	39,034,320,000
Dividend per share paid on common stock	
Total dividends paid on common stock	
Dividend payout ratio (dividends/net income)	0.30
Information on dividends	It is scheduled to be submitted as an agenda item at the shareholders' meeting to be held on 20 March 2025.

2023 (Unit: KRW)

	Annual dividend
Number of shares eligible for dividends	16,264,300
Par value per share	500
Dividend payout ratio	3.6
Dividend per share	
Total dividends	
Dividend per share paid on common stock	1,800
Total dividends paid on common stock	29,275,740,000
Dividend payout ratio (dividends/net income)	0.30
Information on dividends	

22. Earnings Per Share

Basic Earnings Per Share

2024 (Unit: KRW)

	Common share
Earnings per ordinary share	129,168,627,220
Weighted average No. of common shares outstanding	16,264,300
Basic earnings (losses) per share	7,942

2023 (Unit: KRW)

	Common share
Earnings per ordinary share	97,316,388,001
Weighted average No. of common shares outstanding	16,264,300
Basic earnings (losses) per share	5,983

Calculation of Weighted Average No. of Common Shares Outstanding

2024 (Unit: KRW)

	Common share
No. of shares issued	16,264,300 shares
No. of treasury shares	0
No. of outstanding ordinary shares	16,264,300 shares
Weight	366 days/ 366 days
Weighted average No. of common shares outstanding	16,264,300 shares

2023 (Unit: KRW)

	Common share
No. of shares issued	16,264,300 shares
No. of treasury shares	0
No. of outstanding ordinary shares	16,264,300 shares
Weight	365 days/ 365 days
Weighted average No. of common shares outstanding	16,264,300 shares

23. Finance Income and Costs

Finance Income and Costs

2024 (Unit: KRW)

		Disclosed amount
Finance income		20,063,711,196
Finance income	Interest income	17,621,299,502
	Foreign exchange gains	382,309,250
	Foreign currency translation gains	151,651,486
	Gains on disposal of derivatives	248,248,141
	Gains on valuation of derivatives	1,660,202,817
Finance cost		33,672,477,355
Finance cost	Interest expenses	1,688,037,482
	Foreign exchange losses	151,661,970
	Foreign currency translation loss	0
	Losses on disposal of trade receivables	17,634,608,315
	Losses on disposal of derivatives	555,181,630
	Losses on valuation of derivatives	13,642,987,958

2023 (Unit: KRW)

		Disclosed amount
Finance income		13,195,615,567
Finance income	Interest income	11,299,194,501
	Foreign exchange gains	273,716,051
	Foreign currency translation gains	0
	Gains on disposal of derivatives	1,622,705,015
	Gains on valuation of derivatives	0
Finance cost		24,903,693,589
Finance cost	Interest expenses	345,754,318
	Foreign exchange losses	0

	Foreign currency translation loss	9,908,349
	Losses on disposal of trade receivables	24,548,030,922
	Losses on disposal of derivatives	0
	Losses on valuation of derivatives	0

24. Other Non-Operating Income and Expenses

Other Non-Operating Income and Expenses

2024 (Unit: KRW)

		Disclosed amount
Non-operating income		43,224,542,031
Non-operating income	Gain on foreign exchange (non-financial)	22,358,824,511
	Gain on foreign currency translation (non-financial)	20,239,481,853
	Gain on disposal of tangible assets	46,616,616
	Gain on disposal of intangible assets	530,054,073
	Miscellaneous income	49,564,978
Non-operating expenses		28,226,745,039
Non-operating expenses	Loss on foreign exchange (non-financial)	19,189,954,887
	Loss on foreign currency translation (non-financial)	7,722,335,409
	Loss on disposal of tangible assets	361,693,201
	Loss on impairment of tangible assets	784,054,565
	Loss on disposal of intangible assets	138,833,705
	Donations	25,164,856
	Miscellaneous losses	4,708,416

2023 (Unit: KRW)

		Disclosed amount
Non-operating income		31,224,842,820
Non-operating income	Gain on foreign exchange (non-financial)	25,143,172,788
	Gain on foreign currency translation (non-financial)	681,183,726
	Gain on disposal of tangible assets	5,397,096,596
	Gain on disposal of intangible assets	1,000
	Miscellaneous income	3,388,710
Non-operating expenses		24,979,043,303
Non-operating expenses	Loss on foreign exchange (non-financial)	22,718,584,360
	Loss on foreign currency translation (non-financial)	1,679,365,450
	Loss on disposal of tangible assets	108,095,675
	Loss on impairment of tangible assets	184,150,842
	Loss on disposal of intangible assets	142,164,425

	Donations	72,611,580
	Miscellaneous losses	74,070,971

25. Revenue from Contracts with Customers and Related Contract Assets and Other Liabilities

Disclosure of Summary of Revenue

2024 (Unit: KRW)

		Disclosed amount
Sales		
Sales	Revenue from contracts with customers	1,865,549,538,499
	Rental income	72,000,000
	Operating revenue	1,865,621,538,499

2023 (Unit: KRW)

		Disclosed amount
Sales		
Sales	Revenue from contracts with customers	1,901,348,975,029
	Rental income	96,000,000
	Operating revenue	1,901,444,975,029

Disclosure of the Disaggregation of Revenue from Contracts with Customers

2024 (Unit: KRW)

			Revenue from Contracts with Customers
Region	Domestic		306,409,793,557
	Foreign	China	1,009,282,616,266
		Vietnam	363,700,530,123
		Taiwan	133,809,215,180
		Japan	35,402,197,113
		Others	16,945,186,260
Total			1,865,549,538,499

2023 (Unit: KRW)

			Revenue from Contracts with Customers
Region	Domestic		274,246,602,061
	Foreign	China	919,807,508,314

		Vietnam	437,478,806,718
		Taiwan	217,709,080,229
		Japan	32,185,267,417
		Others	19,921,710,290
Total			1,901,348,975,029

Disclosure of revenue from contracts with customers by products and services

2024 (Unit: KRW)

		Revenue from contracts with customers
Products and services	Product sales	1,853,649,894,392
	Service revenue	10,714,032,131
	Other revenue	1,185,611,976
	Merchandise sales	0
Total		1,865,549,538,499

2023 (Unit: KRW)

		Revenue from contracts with customers
Products and services	Product sales	1,898,132,752,974
	Service revenue	2,539,935,755
	Other revenue	652,330,130
	Merchandise sales	23,956,170
Total		1,901,348,975,029

Disclosure of revenue from contracts with customers by timing of revenue recognition

2024 (Unit: KRW)

		Revenue from contracts with customers
Timing of transfer of goods or services	Goods or services transferred at a point in time	1,865,549,538,499
	Goods or services transferred over time	0
Total		1,865,549,538,499

2023 (Unit: KRW)

		Revenue from contracts with customers
Timing of transfer of goods or services	Goods or services transferred at a point in time	1,901,348,975,029
	Goods or services transferred over time	0
Total		1,901,348,975,029

Disclosure of assets recognized from contract costs or costs to fulfill contracts with customers

2024 (Unit: KRW)

	Prepaid expenses
Assets recognized from contract acquisition or fulfillment costs	6,500,896,206

2023 (Unit: KRW)

	Prepaid expenses
Assets recognized from contract acquisition or fulfillment costs	7,199,630,740

Disclosure of Contract Liabilities

2024 (Unit: KRW)

	Prepaid expenses
Contract liabilities	11,808,381,167

2023 (Unit: KRW)

	Prepaid expenses
Contract liabilities	12,215,669,884

Revenue recognized from contract liabilities carried forward from the prior period

2024 (Unit: KRW)

Products and services	Product sales	1,069,740,066
	Service revenue	5,539,473,818
Total		6,609,213,884

2023 (Unit: KRW)

Products and services	Product sales	4,115,585,618
	Service revenue	716,940,000
Total		4,832,525,618

26. Selling and Administrative Expenses

Disclosure of Selling and Administrative Expenses

2024 (Unit: KRW)

		Disclosed amount
Selling and administrative expenses		451,760,886,979
Selling and administrative expenses	Salaries	37,947,823,750
	Bonuses	31,933,732,006
	Retirement benefits	5,480,047,341
	Employee benefits	13,695,148,267
	Travel and transportation expenses	2,203,550,608
	Communication expenses	705,593,008
	Supplies expenses	912,361,970
	Taxes and dues	1,039,583,977
	Rental expenses	1,542,078,408

	Commission fees	75,717,160,441
	Depreciation	11,603,407,374
	Repair and maintenance expenses	80,797,354
	Insurance premiums	2,952,257,636
	Entertainment expenses	957,010,322
	Advertising and promotion expenses	580,717,180
	Meeting expenses	60,910
	Books and printing expenses	29,664,053
	Transportation expenses	937,194,982
	Building rental expenses	308,505,811
	Training expenses	1,348,363,443
	Vehicle maintenance expenses	271,813,237
	Utilities expenses	926,571,186
	Transfer (reversal) of provisions	27,964,413,952
	Research and development expenses	225,853,384,384
	Amortization of intangible assets	6,769,645,379

2023 (Unit: KRW)

		Disclosed amount
Selling and administrative expenses		407,352,593,878
Selling and administrative expenses	Salaries	38,320,353,381
	Bonuses	24,715,177,139
	Retirement benefits	4,499,798,287
	Employee benefits	14,443,861,739
	Travel and transportation expenses	2,055,499,779
	Communication expenses	765,361,181
	Supplies expenses	898,237,018
	Taxes and dues	1,060,151,016
	Rental expenses	1,540,240,710
	Commission fees	59,594,528,114
	Depreciation	11,671,538,920
	Repair and maintenance expenses	201,604,132
	Insurance premiums	3,082,216,438
	Entertainment expenses	995,035,684
	Advertising and promotion expenses	575,223,300
	Meeting expenses	0
	Books and printing expenses	23,136,255
	Transportation expenses	913,690,310
	Building rental expenses	905,695,563
	Training expenses	925,689,258
	Vehicle maintenance expenses	242,550,221

	Utilities expenses	647,427,588
	Transfer (reversal) of provisions	19,047,603,840
	Research and development expenses	216,772,541,562
	Amortization of intangible assets	3,455,432,443

27. Disclosure of Expenses by Nature

Disclosure of Classification of Expenses by Nature

2024 (Unit: KRW)

	Disclosed amount
Changes in inventories	124,451,222,894
Employee benefits expense	197,503,278,221
Depreciation and amortization	31,151,312,077
Subcontracting expenses, etc.	1,118,612,428,147
Processing expenses	2,254,282,221
Research and development expenses	101,809,785,013
Rental expenses	1,542,078,408
Commission fees	82,909,985,330
Transportation expenses	5,040,720,626
Travel and transportation expenses	4,480,654,253
Provision (reversal) for sales warranty	28,102,794,230
Building expenses	308,505,811
Others	3,337,888,474
Total expenses by nature	1,701,504,935,705

2023 (Unit: KRW)

	Disclosed amount
Changes in inventories	146,665,395,764
Employee benefits expense	183,253,054,835
Depreciation and amortization	27,427,799,947
Subcontracting expenses, etc.	1,212,462,026,214
Processing expenses	2,579,467,486
Research and development expenses	97,939,420,848
Rental expenses	1,540,240,710
Commission fees	65,695,702,354
Transportation expenses	5,726,386,105
Travel and transportation expenses	4,075,363,628
Provision (reversal) for sales warranty	19,047,603,840
Building expenses	905,695,563
Others	7,502,573,564

Total expenses by nature	1,774,820,730,858

28. 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.

Disclosure of Defined Benefit Obligations

2024 (Unit: KRW)

	Defined benefit pension plan
Present value of defined benefit obligation	76,275,678,979
Fair value of plan assets	(82,070,802,814)
Defined benefit obligations	(5,795,123,835)

2023 (Unit: KRW)

	Defined benefit pension plan
Present value of defined benefit obligation	77,449,337,342
Fair value of plan assets	(87,138,882,974)
Defined benefit obligations	(9,689,545,632)

Disclosure on Actuarial Assumptions

2024 (Unit: KRW)

	Defined Benefit Pension Plan
Discount rate	0.0384
Future salary increase rate	0.0445
Description of key actuarial assumptions and methods used to calculate the present value of defined benefit obligations	The discount rate is determined based on corporate bond yields at the end of the reporting period with credit ratings and maturities similar to those of the defined benefit obligation. The future salary increase rate is determined by considering the Group’s historical salary scale index, inflation, and wage agreements.

2023 (Unit: KRW)

	Defined Benefit Pension Plan

Discount rate	0.0441
Future salary increase rate	0.0450
Description of key actuarial assumptions and methods used to calculate the present value of defined benefit obligations	The discount rate is determined based on corporate bond yields at the end of the reporting period with credit ratings and maturities similar to those of the defined benefit obligation. The future salary increase rate is determined by considering the Group’s historical salary scale index, inflation, and wage agreements.

Disclosure of Net Defined Benefit Obligations (Assets)

2024 (Unit: KRW)

		Present value of defined benefit obligations	Plan assets
Beginning defined benefit obligations (assets)		77,449,337,342	(87,138,882,974)
Total contributions paid to the plan, net defined benefit liability (asset)			(7,000,000,000)
Current service cost, net defined benefit obligations (assets)		11,897,558,405	
Interest cost (income), net defined benefit obligations (assets)		3,289,924,950	(3,717,000,196)
Remeasurement gains (losses) on net defined benefit obligations (assets)			
Remeasurement gains (losses) on net defined benefit obligations (assets)	Remeasurement gains (losses) on net defined benefit obligations (assets)	80,086,999	
	Actuarial loss (gain) arising from changes in demographic assumptions, net defined benefit liability (asset)	3,564,510,852	
	Actuarial loss (gain) arising from changes in financial assumptions, net defined benefit liability (asset)	(4,623,597,430)	
	Remeasurement gain (loss) on net defined benefit liability (asset		504,541,202
Benefits paid under the plan, net defined benefit liabilities (assets)		(15,416,694,440)	15,055,332,975
Intercompany transfers		34,552,301	225,206,179
Year-end Net Defined Benefit Liability (Asset)		76,275,678,979	(82,070,802,814)
Ending defined benefit obligations (assets)		0	11,508,000,000

2023 (Unit: KRW)

	Present value of defined benefit obligations	Plan assets
Beginning defined benefit obligations (assets)	68,723,266,014	(87,024,709,511)
Total contributions paid to the plan, net defined benefit liability (asset)		
Current service cost, net defined benefit obligations (assets)		(3,000,000,000)
Interest cost (income), net defined benefit obligations (assets)	10,886,120,460	
Remeasurement gains (losses) on net defined benefit obligations (assets)	3,469,933,790	(4,435,970,182)

Remeasurement gains (losses) on net defined benefit obligations (assets)	Remeasurement gains (losses) on net defined benefit obligations (assets)	57,342,999	
	Actuarial loss (gain) arising from changes in demographic assumptions, net defined benefit liability (asset)	2,428,173,605	
	Actuarial loss (gain) arising from changes in financial assumptions, net defined benefit liability (asset)	(640,831,156)	
	Remeasurement gain (loss) on net defined benefit liability (asset		(128,318,108)
Benefits paid under the plan, net defined benefit liabilities (assets)		(7,602,307,650)	7,347,532,111
Intercompany transfers		127,639,280	102,582,716
Year-end Net Defined Benefit Liability (Asset)		77,449,337,342	(87,138,882,974)
Ending defined benefit obligations (assets)			

Disclosure of Retirement Benefit Expenses Included in Gain or Loss in Relation to Defined Benefit Plan

2024 (Unit: KRW)

		Disclosed amount
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan		
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan	Current service cost	11,897,558,405
	Net interest cost	(427,075,246)
	Others	225,206,179
	Total retirement benefit expenses, defined benefit plans	11,695,689,338

2023 (Unit: KRW)

		Disclosed amount
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan		
Disclosure of retirement benefit expenses included in gain or loss in relation to defined benefit plan	Current service cost	10,886,120,460
	Net interest cost	(966,036,392)
	Others	102,582,716
	Total retirement benefit expenses, defined benefit plans	10,022,666,784

Disclosure of the Fair Value of Plan Assets

2024 (Unit: KRW)

	Defined benefit pension plan
Short-term financial instruments, etc.	82,070,802,814

2023 (Unit: KRW)

	Defined benefit pension plan
Short-term financial instruments, etc.	87,138,882,974

Disclosure of Sensitivity Analysis of Actuarial Assumptions

(Unit: KRW)

	Actuarial assumption on discount rate	Actuarial assumption on future salary increase rate	Total
Reasonably possible increase in actuarial assumptions within a range	0.01	0.01	
Increase (decrease) in defined benefit obligation resulting from a reasonably possible increase in actuarial assumptions	(6,467,758,940)	7,383,770,776	
Reasonably possible decrease in actuarial assumptions within a range	0.01	0.01	
Increase (decrease) in defined benefit obligation resulting from a reasonably possible decrease in actuarial assumptions	7,506,442,124	(6,491,927,666)	
Description of the methods and assumptions used in performing the sensitivity analysis of actuarial assumptions			The sensitivity analysis does not take into account the variation of all expected future cash flows under the plan; however, it provides an approximation of the sensitivity to the assumptions used.
Description of the Methods and Changes in Assumptions Used in Performing the Sensitivity Analysis of Actuarial Assumptions			As of 31 December 2024 and 2023, the weighted average duration of the defined benefit obligation was 9.6 years and 8.9 years, respectively.

Opening Balance of Remeasurement Reserve

2024 (Unit: KRW)

	Defined benefit pension plan
Opening balance of remeasurement reserve	8,142,738,466
Remeasurement gain (loss) on defined benefit plans (before tax, other comprehensive income)	(474,458,377)
Income tax effect of current year changes	109,599,885
Closing balance of remeasurement reserve	7,777,879,974

2023 (Unit: KRW)

	Defined benefit pension plan
Opening balance of remeasurement reserve	6,822,851,982

Remeasurement gain (loss) on defined benefit plans (before tax, other comprehensive income)	1,716,367,340
Income tax effect of current year changes	(396,480,856)
Closing balance of remeasurement reserve	8,142,738,466

29. Income Tax Expense

Major Components of Income Tax Expense (Benefit)

2024 (Unit: KRW)

	Disclosed amount
Current income tax expense (benefit)	39,647,820,274
Adjustments for current income tax of prior periods	548,737,416
Deferred income tax expense (benefit) arising from temporary differences	(3,749,951,398)
Deferred income tax related to items recognized outside profit or loss	(109,599,885)
Total income tax expense (benefit)	36,337,006,407

2023 (Unit: KRW)

	Disclosed amount
Current income tax expense (benefit)	37,067,197,770
Adjustments for current income tax of prior periods	(83,294,522)
Deferred income tax expense (benefit) arising from temporary differences	(13,534,806,439)
Deferred income tax related to items recognized outside profit or loss	396,480,856
Total income tax expense (benefit)	23,845,577,665

Current and Deferred Income Taxes Related to Items Directly Deducted from or Credited to Equity

2024 (Unit: KRW)

	Disclosed amount
Income tax related to remeasurements of defined benefit plans included in other comprehensive income	(109,599,885)
Income tax expense (benefit) directly recognized in equity	(109,599,885)

2023 (Unit: KRW)

	Disclosed amount
Income tax related to remeasurements of defined benefit plans included in other comprehensive income	396,480,856
Income tax expense (benefit) directly recognized in equity	396,480,856

Reconciliation to the Amount Calculated by Applying the Applicable Tax Rate to Accounting Profit

2024 (Unit: KRW)

	Disclosed amount
Profit before income tax	165,505,633,627
Applicable tax rate	0.2282
Tax expense at the applicable tax rate	37,769,801,367
Non-taxable income	(38,402,315)
Non-deductible expenses	178,985,058
Tax credits	(6,353,675,934)
Adjustments recognized in the current period relating to prior period income taxes	548,737,416
Changes in unrecognized deferred income taxes	0
Others (including tax rate changes, etc.)	4,231,560,815
Income tax expense (benefit)	36,337,006,407
Average effective tax rate	0.2196

2023 (Unit: KRW)

	Disclosed amount
Profit before income tax	121,161,965,668
Applicable tax rate	0.2272
Tax expense at the applicable tax rate	27,526,414,069
Non-taxable income	(30,883,184)
Non-deductible expenses	243,011,185
Tax credits	(3,962,427,263)
Adjustments recognized in the current period relating to prior period income taxes	(83,294,522)
Changes in unrecognized deferred income taxes	5,472,527
Others (including tax rate changes, etc.)	147,284,853
Income tax expense (benefit)	23,845,577,665
Average effective tax rate	0.1968

Disclosure of Temporary Differences, Unused Tax Losses, and Unused Tax Credits

2024 (Unit: KRW)

			Opening deferred tax liabilities (assets)	Recognized in profit or loss	Recognized in other comprehensive income	Closing deferred tax liabilities (assets)
Temporary differences, unused tax losses, and unused tax credits	Temporary differences	Accrued income	324,712,050	149,706,222	0	474,418,272
		Net defined benefit liability (asset)	2,204,196,832	(1,194,991,126)	109,599,885	1,118,805,591
		Impairment loss on intangible assets	(56,267,303)	53,070,540	0	(3,196,763)
		Inventory	(17,331,658,369)	4,518,459,107	0	(12,813,199,262)

		valuation loss				
		Excess depreciation over tax limits	(745,797,695)	(308,066,538)	0	(1,053,864,233)
		Impairment loss on property, plant and equipment	(35,709,814)	35,709,814	0	0
		Accrued expenses	(2,642,188,462)	527,214,798	0	(2,114,973,664)
		Prepaid expenses	(7,138,009)	4,537,089	0	(2,600,920)
		Provisions	(4,152,391,184)	(4,300,699,672)	0	(8,453,090,856)
		Financial assets measured at fvoci	(115,500,000)	0	0	(115,500,000)
		Long-term employee benefit liabilities	(729,754,060)	(69,172,945)	0	(798,927,005)
		Derivative financial liabilities	0	(3,151,530,218)		(3,151,530,218)
		Others	(291,768,823)	(123,788,354)	0	(415,557,177)
Total			(23,579,264,837)	(3,859,551,283)	109,599,885	(27,329,216,235)

2023 (Unit: KRW)

			Opening deferred tax liabilities (assets)	Recognized in profit or loss	Recognized in other comprehensive income	Closing deferred tax liabilities (assets)
Temporary differences, unused tax losses, and unused tax credits	Temporary differences	Accrued income	547,681,094	(222,969,044)	0	324,712,050
		Net defined benefit liability (asset)	3,869,991,509	(1,269,313,821)	(396,480,856)	2,204,196,832
		Impairment loss on intangible assets	(56,267,303)	0	0	(56,267,303)
		Inventory valuation loss	(8,761,957,455)	(8,569,700,914)	0	(17,331,658,369)
		Excess depreciation over tax limits	(1,866,253,683)	1,120,455,988	0	(745,797,695)
		Impairment loss on property, plant and equipment	(55,393,429)	19,683,615	0	(35,709,814)
		Accrued expenses	(2,258,084,389)	(384,104,073)	0	(2,642,188,462)
		Prepaid expenses	(18,747,748)	1 1,609,739	0	(7,138,009)
		Provisions	(840,966,449)	(3,311,424,735)	0	(4,152,391,184)
		Financial assets measured at fvoci	(115,500,000)	0	0	(115,500,000)
		Long-term employee benefit liabilities	(606,330,243)	(123,423,817)	0	(729,754,060)
		Derivative financial liabilities	0	0	0	0
		Others	117,369,698	(409,138,521)	0	(291,768,823)
Total			(10,044,458,398)	(13,138,325,583)	(396,480,856)	(23,579,264,837)

Temporary Differences for Which Deferred Tax Assets Have Not Been Recognized

2024 (Unit: KRW)

	Temporary differences, unused tax losses, and unused tax credits

	Temporary differences		
	Subsidiary investments	Carryforward amount	Associates investment
Temporary differences for which deferred tax assets have not been	418,177,955	807,301,385	457,587,790
Temporary differences related to investments in subsidiaries, associates, and joint ventures for which deferred tax liabilities have not been			(5,686,540,315)

2023 (Unit: KRW)

	Temporary differences, unused tax losses, and unused tax credits		
	Temporary differences		
	Subsidiary investments	Carryforward amount	Associates investment
Temporary differences for which deferred tax assets have not been	418,177,955	807,301,385	457,587,790
Temporary differences related to investments in subsidiaries, associates, and joint ventures for which deferred tax liabilities have not been			(5,686,540,315)

When the deductible temporary differences exceed the taxable temporary differences reversing in the same period, the recognition of deferred tax assets depends on the availability of future taxable income. In cases where the entity has incurred losses in the jurisdiction related to the deferred tax assets, a description is required for the basis of recognizing such deferred tax assets.

As of the end of the current reporting period, the Group has determined that it is not probable that the temporary differences related to the above investments will reverse in the foreseeable future.

Expected Timing of Recovery of Deferred Tax Assets and Settlement of Deferred Tax Liabilities

2024 (Unit: KRW)

	Within 1 year	After 1 year	Total
Deferred tax assets	27,851,707,500	22,448,554,595	50,300,262,095
Deferred tax liabilities	(499,279,573)	(22,471,766,287)	(22,971,045,860)
Net deferred tax assets (liabilities)			27,329,216,235

2023 (Unit: KRW)

	Within 1 year	After 1 year	Total
Deferred tax assets	25,191,947,039	18,889,575,294	44,081,522,333
Deferred tax liabilities	(355,132,909)	(20,147,124,587)	(20,502,257,496)
Net deferred tax assets (liabilities)			23,579,264,837

Description of the Amount of Potential Income Tax Effects that Can Be Determined Practically

Based on the Group's consolidated revenue for the preceding full fiscal year, the revenue threshold for Pillar Two income tax is met; however, the Group qualifies for an exemption from the application of Pillar Two. Accordingly, Pillar Two has no impact on the Group's income taxes, and no current income tax related to this matter has been recognized in the current period.

30. Statement of Cash Flow

Cash Flows from Operating Activities

2024 (Unit: KRW)

		Disclosed amount
Adjustments for reconciliation of net income		
Adjustments for reconciliation of net income	Income tax expense	36,337,006,407
	Depreciation	22,196,438,169
	Allowance for inventory valuation	(19,584,496,386)
	Reversal (provision) of right to recover returned goods	24,067,352
	Loss on disposal of inventories	19,445,888,563
	Expense for return liabilities	(28,342,261)
	Gain on disposal of tangible assets	(46,616,616)
	Gain on disposal of intangible assets	(530,054,073)
	Loss on disposal of tangible assets	361,693,201
	Loss on disposal of intangible assets	138,833,705
	Amortization of intangible assets	784,054,565
	Retirement benefits	8,954,873,908
	Gain on foreign currency translation	11,695,689,338
	Loss on foreign currency translation	(20,487,729,994)
	Interest income	7,722,335,409
	Interest expense	(382,309,250)
	Sales warranty liabilities	(17,621,299,502)
	Provision for other (loss) liabilities	1,688,037,482

	Long-term employee benefits	28,102,794,230
	Gain on valuation of derivatives	2,917,682,228
	Loss on valuation of derivatives	419,649,980
	Reimbursement of allowance	13,642,987,958
	Equity method profit (loss)	(138,380,278)
	Other adjustments for reconciliation of net income	(158,421)
	Adjustments for reconciliation of net income	95,612,645,714
Adjustment of changes in operating assets and liabilities		
Adjustment of changes in operating assets and liabilities	Trade receivables	(223,832,101,660)
	Other payables	(1,497,750,226)
	Other assets	34,498,149,096
	Inventories	124,565,763,365
	Trade payables	53,261,408,935
	Other liabilities	(12,521,148,211)
	Other payables	(984,062,086)
	Long-term employee salary liabilities	(120,200,000)
	Net defined benefit obligations	(7,326,809,164)
	Other financial liabilities	0
	Changes in operating assets and liabilities	(33,956,749,951)

2023 (Unit: KRW)

		Disclosed amount
Adjustments for reconciliation of net income		
Adjustments for reconciliation of net income	Income tax expense	23,845,577,665
	Depreciation	20,222,151,569
	Allowance for inventory valuation	37,064,855,477
	Reversal (provision) of right to recover returned goods	33,416,878
	Loss on disposal of inventories	12,255,967,546
	Expense for return liabilities	(34,129,071)
	Gain on disposal of tangible assets	(5,397,096,596)
	Gain on disposal of intangible assets	(1,000)
	Loss on disposal of tangible assets	108,095,675
	Loss on disposal of intangible assets	142,164,425
	Loss on impairment of tangible assets	184,150,842
	Amortization of intangible assets	7,205,648,378
	Retirement benefits	10,022,666,784
	Gain on foreign currency translation	(2,303,888,741)
	Loss on foreign currency translation	1,689,273,799
	Interest income	(273,716,051)
	Interest expense	(11,299,194,501)

	Sales warranty liabilities	345,754,318
	Provision for other (loss) liabilities	19,047,603,840
	Long-term employee benefits	0
	Loss on valuation of derivatives	601,702,237
	Reimbursement of allowance	0
	Equity method profit (loss)	0
	Other adjustments for reconciliation of net income	4,778,914
	Adjustments for reconciliation of net income	113,465,782,387
Adjustment of changes in operating assets and liabilities		
Adjustment of changes in operating assets and liabilities	Trade receivables	(63,285,175,524)
	Other payables	211,188,121
	Other assets	6,473,642,665
	Inventories	97,311,155,863
	Trade payables	(98,171,449,762)
	Other liabilities	2,614,799,815
	Other payables	(13,742,896,330)
	Long-term employee salary liabilities	(67,400,000)
	Net defined benefit obligations	(3,127,136,259)
	Other financial liabilities	562,687,778
	Changes in operating assets and liabilities	(71,220,583,633)

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 2024 and 2023 are as follows.

Significant Transactions That Do Not Involve Cash Inflows and Outflows

2024 (Unit: KRW)

	Disclosed amount
Transfer for tangible assets in progress	26,003,263,447
Transfer for intangible assets in progress	29,186,928,434
Increase in right-of-use assets due to restoration obligations	625,290,000
Increase (decrease) in payables relating to acquisition of tangible and intangible assets	421,310,867
Increase (decrease) in receivables related to tangible assets	(197,500,000)
Recognition of lease liabilities and licensed assets under the lease agreement	22,400,462,621
Reclassification of lease liabilities to current portion	8,619,788,710
Reclassification of lease receivables to current portion	0
Reclassification of loans to current loans	779,095,543

2023 (Unit: KRW)

	Disclosed amount
Transfer for tangible assets in progress	15,024,178,921
Transfer for intangible assets in progress	6,986,001,188
Increase in right-of-use assets due to restoration obligations	0
Increase (decrease) in payables relating to acquisition of tangible and intangible assets	(10,120,786,368)
Increase (decrease) in receivables related to tangible assets	0
Recognition of lease liabilities and licensed assets under the lease agreement	13,743,324,041
Reclassification of lease liabilities to current portion	6,963,687,484
Reclassification of lease receivables to current portion	570,314,176
Reclassification of loans to current loans	1,304,964,586

Disclosure of Information to Enable Users of Financial Statements to Evaluate Changes in Liabilities Arising from Financing Activities

Disclosure of Reconciliation of Liabilities Arising from Financing Activities

2024 (Unit: KRW)

		1 January 2024	Cash flow from financial activities	Other changes from financial activities	31 December 2024
Liabilities arising from financial activities	Dividends payable	0	(29,275,659,685)	29,275,740,000	80,315
	Lease liabilities	19,183,732,432	(7,260,894,089)	22,066,662,899	33,989,501,242

2023 (Unit: KRW)

		1 January 2024	Cash flow from financial activities	Other changes from financial activities	31 December 2024
Liabilities arising from financial activities	Dividends payable	0	(73,189,350,000)	73,189,350,000	0
	Lease liabilities	13,035,055,914	(7,247,552,144)	13,396,228,662	19,183,732,432

31. Restricted Financial Instruments

Restricted Financial Assets

2024 (Unit: KRW)

	Financial assets, category
	Financial assets measured at amortized cost, category
	Other receivables
Restricted financial assets	2,000,000
Description of restricted financial assets	Current account opening deposit

2023 (Unit: KRW)

	Financial assets, category
	Financial assets measured at amortized cost, category
	Other receivables
Restricted financial assets	2,000,000
Description of restricted financial assets	Current account opening deposit

32. Related Parties

Restricted Financial Assets

2024 (Unit: KRW)

Type of special relationship	31 December 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 during the current period, and the Company newly acquired a 100% ownership interest.
(*2) During the prior period, the Company acquired a 23.33% interest in LX Ventures New Technology Business Investment Association No. 1.

Disclosure of Transactions with Related Parties

2024 (Unit: KRW)

				Operating profit	Operating expense	Dividend income
All related parties	Subsidiaries	LX Semicon U.S.A., Inc		31,376,287	4,436,269,564	
		LX Semicon China Co., Ltd.			18,664,523,028	
		LX Semicon Japan Co., Ltd.			9,000,174,693	
		LX Semicon Taiwan Co., Ltd.		16,065,004	943,680,549	
	Associates and joint ventures	FJ Composite Materials Co., Ltd.			1,400,203,780	79,309,250
		Telechips Inc.				303,000,000
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.			3,733,952,000	
	Other related parties	Large corporate group affiliates	LX Hausys Co., Ltd.		121,495,728	
			LX Pantos Co., Ltd.		4,454,978,701	
			LX MDI Co., Ltd.		852,542,370	
			LX International Co., Ltd.		4,343,868	
			LX INTERNATIONAL JAPAN LTD.		9,005,798	

2023 (Unit: KRW)

				Operating profit	Operating expense	Dividend income
All related parties	Subsidiaries	LX Semicon U.S.A., Inc		0	3,826,073,479	
		LX Semicon China Co., Ltd.			17,566,735,216	
		LX Semicon Japan Co., Ltd.			5,183,049,474	
		LX Semicon Taiwan Co., Ltd.		0	0	
	Associates and joint ventures	FJ Composite Materials Co., Ltd.			1,425,723,504	76,766,051
		Telechips Inc.				196,950,000
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.			3,803,666,000	
	Other related parties	Large corporate group affiliates	LX Hausys Co., Ltd.		215,500,000	
			LX Pantos Co., Ltd.		4,879,477,279	
			LX MDI Co., Ltd.		1,515,159,391	
			LX International Co., Ltd.		30,978,300	
			LX INTERNATIONAL JAPAN LTD.		43,352,264	

Receivables and Payables of Related Parties

2024 (Unit: KRW)

				Trade receivables, etc.	Trade payables, etc.	Description of details of guarantees provided for receivables or liabilities of related party transactions
All related parties	Subsidiaries	LX Semicon U.S.A., Inc		3,234,000	498,913,840	
		LX Semicon China Co., Ltd.		0	2,367,291,039	
		LX Semicon Japan Co., Ltd.		0	1,031,012,037	
		LX Semicon Taiwan Co., Ltd.		2,677,502	199,010,710	
	Associates and joint ventures	FJ Composite Materials Co., Ltd.		0	7,430,585	
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		65,870,000	0	
	Other related parties	Large corporate group affiliates	LX Pantos Co., Ltd.	0	133,645,301	
			LX MDI Co., Ltd.	0	633,664,652	
			LX Hausys Co., Ltd.	0	6,938,240	
Total						As of 31 December 2024 and 2023, there are no collateral or guarantees provided by the Group for or from related parties.

2023 (Unit: KRW)

				Trade receivables, etc.	Trade payables, etc.	Description of details of guarantees provided for receivables or liabilities of related party transactions

All related parties	Subsidiaries	LX Semicon U.S.A., Inc		0	367,326,322	
		LX Semicon China Co., Ltd.		0	2,001,759,235	
		LX Semicon Japan Co., Ltd.		0	659,756,055	
		LX Semicon Taiwan Co., Ltd.		0	0	
	Associates and joint ventures	FJ Composite Materials Co., Ltd.		0	1,368,990,000	
	Companies exercising significant influence on the Group	LX Holdings Co., Ltd.		434,734,000	0	
	Other related parties	Large corporate group affiliates	LX Pantos Co., Ltd.	0	7,700,000	
			LX MDI Co., Ltd.	0	825,695,817	
			LX Hausys Co., Ltd.	0	23,329,662	
Total						As of 31 December 2024 and 2023, there are no collateral or guarantees provided by the Group for or from related parties.

Disclosure of Related Party Financing Transactions

2024 (Unit: KRW)

			Dividend income	Dividend payment	Increase in capital contribution
Related Parties	Subsidiaries	LX Semicon Taiwan Co., Ltd.	0	0	716,890,000
	Associates and joint ventures	FJ Composite Materials Co., Ltd.	79,309,250	0	0
		Telechips Inc.	303,000,000	0	0
		LX Ventures New Technology Business Investment Fund No. 1	0	0	0
	Entities that jointly control or exercise significant influence over the company	LX Holdings Co., Ltd.	0	9,684,943,200	0
Total			382,309,250	9,684,943,200	716,890,000

2023 (Unit: KRW)

			Dividend income	Dividend payment	Increase in capital contribution
Related Parties	Subsidiaries	LX Semicon Taiwan Co., Ltd.	0	0	0
	Associates and joint ventures	FJ Composite Materials Co., Ltd.	76,766,051	0	2,887,050,000
		Telechips Inc.	196,950,000	0	0
		LX Ventures New Technology Business Investment Fund No. 1	0	0	2,800,000,000
	Entities that jointly control or exercise significant influence over the company	LX Holdings Co., Ltd.	0	24,212,358,000	0
Total			273,716,051	24,212,358,000	5,687,050,000

Compensation for Key Management

2024 (Unit: KRW)

	Disclosed amount
Short-term salaries	9,109,398,690
Retirement benefits	1,393,561,210
Total	10,502,959,900
Description of the nature of special relationships	The Group’s key management includes directors who have significant authority and responsibility for planning, operating, and controlling the Company's activities.

2023 (Unit: KRW)

	Disclosed amount
Short-term salaries	8,261,424,780
Retirement benefits	1,511,980,330
Total	9,773,405,110
Description of the nature of special relationships	The Group’s key management includes directors who have significant authority and responsibility for planning, operating, and controlling the Company's activities.

33. Commitments and Contingencies

Disclosure of Guarantee-related Contingent Liabilities and Non-PF Contingent Liabilities

(Unit: KRW)

	Classification of payment guarantee
	Payment guarantee received
	For transaction counterparties
	Mutual guarantee insurance
Corporate (other) guarantee amount (non-PF)	385,000,000

Disclosure of Commitments (Unit: KRW)

						Commitment Amount	Foreign Currency Commitment Amount [USD, Days]]
Counterparty	Shinhan Bank	Type of Commitment	Borrowing limit	Functional currency or presentation currency	KRW		
					USD		
			Purchased foreign exchange		KRW	0	
					USD		16,000,000
			Currency forward		KRW	0	
					USD		10,000,000
			Factoring of receivables		KRW		
					USD		
	Nonghyup Bank		Borrowing limit		KRW		

					USD		
			Purchased foreign exchange		KRW	0	
					USD		15,000,000
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	Mizuho Bank		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW	0	
					USD		60,000,000
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	The Export-Import Bank of Korea		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		380,000,000
	MUFG Bank		Borrowing limit		KRW	150,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW	0	
					USD		20,000,000
			Factoring of receivables		KRW	100,000,000,000	
					USD		220,000,000
	Hana Bank		Borrowing limit	Functional currency or presentation currency	KRW	100,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		
	Suhyup Bank		Borrowing limit		KRW	30,000,000,000	
					USD		0
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW		
					USD		

	BNP Paribas		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		130,000,000
	ING Bank		Borrowing limit		KRW		
					USD		
			Purchased foreign exchange		KRW		
					USD		
			Currency forward		KRW		
					USD		
			Factoring of receivables		KRW	0	
					USD		95,000,000

As of 31 December 2024, the Group has no assets, including financial assets, pledged as collateral.

As of 31 December 2024, the Group has no ongoing lawsuits or disputes.

Disclosure of Commitments with Related Parties

2024 (Unit: KRW)

		Investment commitment amount	Paid-in capital	Additional investment amount scheduled
Counterparty	LX Ventures New Technology Business Investment Fund No. 1	7,000,000,000	2,800,000,000	4,200,000,000

2023 (Unit: KRW)

		Investment commitment amount	Paid-in capital	Additional investment amount scheduled
Counterparty	LX Ventures New Technology Business Investment Fund No. 1			

34. Fair Value Measurement

Description of the Levels in the Fair Value Hierarchy within the Fair Value Measurement Classification

	Level 1 of fair value hierarchy	Level 2 of fair value hierarchy	Level 3 of fair value hierarchy
Description of the levels in the fair value hierarchy within the fair value measurement classification	Measurement date quoted prices (unadjusted) in active markets for identical assets or liabilities, reflecting market conditions including interest rate increases,	Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2)	Unobservable inputs for the asset or liability, such as unlisted equity securities, reflecting adjustments for unobservable factors due to ESG-related risks (Level 3)

	inflation, changes in the economic environment related to ESG risk, etc.		

Disclosure of Fair Value Measurement of Liabilities

(Unit: KRW)

	Category			Total
	Financial liabilities measured at fair value			
	Derivative financial liabilities			
	All levels of fair value hierarchy			
	Level 1	Level 2	Level 3	
Fair value	0	13,642,987,958	0	13,642,987,958
Description stating that there were no transfers between Level 1, Level 2, and Level 3 of the fair value hierarchy, liabilities				There were no transfers between levels of the fair value hierarchy for recurring fair value measurements during the current quarter.

Level 2 Liabilities in Valuation Techniques and Inputs

2024 (Unit: KRW)

					Valuation technique	Inputs	Amount
Classification	Financial liabilities measured at fair value	Derivative financial liabilities	All levels of the fair value hierarchy	Level 2 of the fair value hierarchy	Discounted cash flow model	Discount rate and exchange rate	13,642,987,958

2023 (Unit: KRW)

					Valuation technique	Inputs	Amount
Classification	Financial liabilities measured at fair value	Derivative financial liabilities	All levels of the fair value hierarchy	Level 2 of the fair value hierarchy	Discounted cash flow model	Discount rate and exchange rate	0

6. Dividends

A. Dividends

(1) Matters related to the company’s dividend policy

The Company, pursuant to its Articles of Incorporation, is distributing dividends by the decisions of the board of directors and resolutions of general meeting of shareholders. In order to enhance shareholder value and expand shareholder return, the Company plans to maintain an appropriate level of dividend policy in the future by using the free cash flow that comprehensively considers investment, cash flow, financial structure, and dividend stability. Moreover, Article 55 and 57 of the Company's Articles of Incorporation provides profit dividend and the prescription of extinction for rights of dividend payment claim.

Article 55 of the Articles of Incorporation [Profit Distribution]

① The dividend of profits may be carried out with money or other properties than money.

② If the dividend of profit is carried out with shares, the Company may use other types of stocks upon a resolution of the general meeting of shareholders when it issues a number of shares.

③ Dividends under Paragraph 1 shall be paid to shareholders listed in the shareholder register or registered pledgees as of the end of each settlement period.

Article 57 [Extinctive Prescription of Claims for the Payment of Dividend]

① Dividend rights shall be extinguished, if the rights are not exercised for 5 consecutive years.

② The dividends resulting from the completion of the extinctive prescription under Paragraph 1 shall belong to the Company.

③ The Company may, by resolution of the Board of Directors, set a record date to determine the shareholders entitled to receive dividends under Paragraph 1, and if such record date is set, it shall be publicly announced at least two weeks prior to the record date.

(2) Matters regarding the provision of dividend predictability

1. Implementation of improvements to dividend procedures under the Articles of Incorporation

Category	Current Status and Plan
Decision-making body for dividends under the Articles of Incorporation	Board of Directors
Whether the record date for dividends can be set after the dividend amount is determined	Yes
Future plans for implementing improvements to dividend procedures	Reflection and implementation of improved dividend procedures

2. Current Status of Designation of Dividend Determination Date and Record Date

Category	Fiscal Year-End	Dividend Paid	Dividend Determination Date	Dividend Record Date	Provision of Dividend Predictability	Remarks
Year-end Dividend	12.2024	O	22.01.2025	28.02.2025	O	-
Year-end Dividend	12.2023	O	25.01.2024	31.12.2023	X	-
Year-end Dividend	12.2022	O	26.01.2023	31.12.2023	X	-

B. Dividends over the recent three fiscal years

(1) Major dividends indexes

Category	Type of shares	Current period	Previous period	Year before previous period
		2024	2023	2022
Face value per share (Won)		500	500	500
(Consolidated) Current net profit (Million won)		130,509	101,204	233,693
(Individual) Current net profit (Million won)		129,169	97,316	230,608
(Consolidated) earnings per share (Won)		8,024	6,222	14,368
Total dividends in cash (Million won)		39,034	29,276	73,189
Total amount of dividends (Million won)		-	-	-
(Consolidated) Cash dividend (%)		29.9	28.9	31.3
Cash dividend rate (%)	Common shares	3.9	2.04	5.7
	Preferred shares	-	-	-
Share dividend rate (%)	Common shares	-	-	-
	Preferred shares	-	-	-
Dividend in cash per share (Won)	Common shares	2,400	1,800	4,500
	Preferred shares	-	-	-
Share allocation per share (shares)	Common shares	-	-	-
	Preferred shares	-	-	-

*1) (Consolidated) current net income is attributable to the parent's interest in the consolidated net income, and (consolidated) earnings per share is the basic earnings per share of common share for the controlling company interest in the consolidated net income.
*2) (Consolidated) cash dividend payout ratio is the percentage of the total cash dividend amount to the parent interest in consolidated net income.

(2) Past dividend history

(Unit: times, %)

No. of consecutive dividends		Average dividend yield	
Quarterly (intermediate) dividends	Settlement dividend	Last 3 years	Last 5 years
-	14	4.6	3.4

*) The number of consecutive dividends from the 12th to the 24th fiscal year is a total of 13 times.

7. Financing by Issuance of Securities

7-1. Performance of financing by issuance of securities

[Issuance of equity securities, etc.]

A. Status of issuance and reduction of equity securities

There are no issuances of equity securities during the reporting period.

(1) Status of capital increase (decrease)

(As of 31 December 2023) (Unit: KRW, shares)

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

B. Debt securities that may convert to equity securities

There are no issuances of debt securities during the reporting period.

(2) Issuance performance of debt securities

[Issuance of debt securities, etc.]

(As of 31 December 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	-	-	-	-	-	-	-	-	-

(3) Outstanding balance of corporate paper

(As of 31 December 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	-	-	-	-	-	-	-	-	-

(4) Outstanding balance of short-term bonds

(As of 31 December 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	-	-	-	-	-	-	-	-

(5) Outstanding balance of corporate bonds

(As of 31 December 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	-	-	-	-	-	-	-	-

(6) Outstanding balance of hybrid securities

(As of 31 December 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	-	-	-	-	-	-	-	-

(7) Outstanding balance of conditional capital securities

(As of 31 December 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. Performance in the use of funds raised through the issuance of securities

As there are no instances of raising funds through the issuance of securities during the reporting period, there are no relevant matters to disclose.

8. Other Financial Matters

A. Cautions such as repreparation of financial statements

(1) If the (consolidated) financial statements are reprepared, the reasons for the repreparation, the contents and the impact on the (consolidated) financial statements

As of the reporting date, there is no relevant information.

(2) Merger, division, asset transfer, business transfer

As of the reporting date, there is no relevant information.

B. Establishment of allowance for bad debts

(1) Provision for allowance for allowance for bad debts by account title

[As of 31 December 2024] (Unit: KRW 1 million, %)

Category	Account title	Amount of receivables	Allowance for bad debts	Allowance setting rate
2024	Trade receivables	448,799	-	0.0
	Other payables	5,316	-	0.0
	Non-current other receivables	9,483	-	0.0
	Total	463,598	-	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 31 December 2024] (Unit: KRW 1 million)

Category	2023	2022	2021
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 change 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% of 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 31 December 2023 and 2022

[As of 31 December 2024] (Unit: KRW 1 million)

Category	Elapsed period		Total
	Within 6 months	Over 6 months	
Trade receivables	448,799	-	448,799
Total	448,799	-	448,799
Ratio (%)	100.00	-	100.00

C. Inventory status

(1) Status on inventory asset per business division

[As of 31 December 2024] (Unit: KRW 1 million)

Business sector	Items	2023	2022	2021	Remarks
System IC	Products	69,071	102,921	184,831	-
	Products	0	21	47	-
	Work in process	142,369	232,949	297,678	-
Total		211,440	335,891	482,556	-
Portion of inventory over gross assets (%) [Total inventories ÷ Total assets as of 31 December × 100]		14.1	27.9	37.4	-
Inventory turnover ratio (Collection) [Cost of goods sold ÷ {(Beginning inventory + Ending inventory) ÷ 2}]		4.6	3.3	4.2	-

*) As the Company's business is composed solely of the System IC segment, inventories are not listed by business division.

(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.

- Interim inventory count date: 26 June 2024

- Year-end inventory count dates: 12 December 2024, 26 December 2024

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 31 December 2024 are as follows:

[As of 31 December 2024] (Unit: KRW 1 million)

Items	Acquisition cost	Holding amount	Valuation allowance	Balance as of 31 December
Inventories	267,016	267,016	(55,576)	211,440

D. Status of order contracts

As of the reporting date, there are no contracts with contract revenue amounts exceeding 5% of the sales amount stated in the financial statements in 2023; hence, there are no applicable matters.

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 follow.

(Unit: KRW)

	31 December 2024	
Category	Book value	Fair value(*3)
Financial assets:		
Items at FVOCI		
Trade receivables	276,821,634,886	(*2)
Items measured at amortized cost		
Cash and cash equivalents	255,181,808,353	(*2)
Short-term financial instruments	180,188,740,000	(*2)
Trade receivables	47,105,880,070	(*2)
Other receivables	19,058,263,795	(*2)
Sub-total	501,534,692,218	
Derivative instruments for hedging purposes		
Derivative assets	1,154,696,300	1,154,696,300
Total		
Financial liabilities:		
Items measured at amortized cost		
Trade payables	185,092,889,638	(*2)
Other payables (*1)	71,090,278,924	(*2)
Sub-total	256,183,168,562	
Derivative instruments for hedging purposes		
Derivative liabilities	173,136,926	173,136,926
Others		
Lease liabilities	25,565,927,968	(*3)
Total	281,922,233,456	

(*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.

IV. Directors Management Diagnoses and Analytic Opinions

A. Cautions on forecasts
This material contains "predictive information" about the future.

Any activities, events or phenomena that the Company anticipates and predicts in the future in this business report reflect the Company's views on the events and financial performance at the time of preparing the year's official document. The forecasts are based on a variety of assumptions related to the future business environment, and these assumptions may eventually prove to be inaccurate. These assumptions also include risks, uncertainties, and other factors that can cause significant differences between the estimates and actual results described in the forecasts. Among the factors that can cause this significant difference, factors related to the Company's internal management and external environment and other related factors are included.

The Company are not obligated to disclose corrective reports that amend the information provided to reflect the risks or uncertainties that occur after the time of writing this predictive information. As a result, the Company cannot provide assurance that the Company's expected results or findings in the business report will be realized or that the expected impact the Company anticipates will happen. Please note that the forecasts contained in this report are based on the time of writing this report and that the Company does not intend to revise these risk factors or forecasts.

B. Overview
The board of directors of LX Semicon Co., Ltd. reports opinions on the management diagnosis of directors regarding accounting and business for the 26th fiscal year from 1 January 2024 to 31 December 2024. In order to understand the overall management of the Company, the books and related documents were read, and the financial statements and accompanying statements were carefully reviewed. The Company has received enough reports on documents that are deemed necessary for management diagnosis, and reviewed the management details by using appropriate methods such as reading documents related to important tasks and closely reviewing the contents.

The Company faced a challenging business environment in 2023 due to the global economic recession and inflation causing a delay in market demand recovery, intensified competition among IC manufacturers, and downturns of major customers. As a result, sales decreased by about 1.9% compared to the previous period, achieving 1.8656 trillion won. However, despite the challenging external business environment, due to improvements in inventory management and foreign exchange effects, operating profit in 2024 increased by approximately 29.5% year-on-year to KRW 167.1 billion. This year, the Company will focus on R&D, the main business, to launch competitive products, and expand the overseas market share through active sales activities to grow into a global company beyond the domestic market.

C. Financial status and operating results

(1) Financial status - Summary of statement of financial position (consolidated)

(Unit: KRW 1 million, %)

Category	2024	2023	Change	Rate of change(%)
Assets	1,499,802	1,205,065	294,737	24.5
[Current assets]	1,124,302	902,886	221,416	24.5

[Non-current assets]	375,500	302,179	73,321	24.3
Liabilities	420,215	228,301	191,914	84.1
[Current liabilities]	351,838	207,337	144,501	69.7
[Non-current liabilities]	68,377	20,964	47,413	226.2
Equity	1,079,587	976,764	102,823	10.5
[Capital]	8,132	8,132	0	0.0
[Capital surplus]	76,343	76,343	0	0.0
[Other capital items]	152	(1,073)	1,225	114.2
[Retained earnings]	994,960	893,362	101,598	11.4
Debt-to-equity ratio	38.9	23.4	15.5%p	-

[Assets]

As of 31 December 2024, the Company's total assets amounted to KRW 1,499.8 billion, an increase of KRW 294.7 billion compared to the previous period, mainly due to an increase in current assets such as trade receivables. Of this, current assets accounted for 75.0% of total assets, while non-current assets accounted for 25.0%.

[Liabilities]

As of 31 December 2024, the Company's total liabilities amounted to KRW 420.2 billion, an increase of KRW 191.9 billion from the prior year. Current liabilities were KRW 351.8 billion, representing 83.7% of total liabilities, and consisted mostly of trade payables and other payables. Non-current liabilities were KRW 68.4 billion, representing 16.3% of total liabilities.

[Equity]

As of 31 December 2024, the Company's total equity amounted to KRW 1,079.6 billion, an increase of KRW 102.8 billion from the prior year. The main factors were an increase in retained earnings from net income of KRW 130.5 billion and a decrease in retained earnings due to dividend payments of KRW 39.0 billion.

(2) Operating performance - Summary income statement (consolidated)

(Unit: KRW 1 million, %)

Category	2024	2023	Change	Rate of change(%)
Sales	1,865,622	1,901,445	(35,823)	(1.9)
COGS	1,249,744	1,367,468	(117,724)	(8.6)
Gross profit	615,878	533,977	81,901	15.3
- SG&A expenses	448,801	404,941	43,860	10.8
Operating profit	167,077	129,036	38,041	29.5
Net profit excluding income tax expense	167,996	126,287	41,709	33.0
Income tax expenses	37,487	25,083	12,404	49.5
Net income	130,509	101,204	29,305	29.0
Gross margin	33.0	28.1	4.9%p	-
Operating margin	9.0	6.8	2.2%p	-
Ordinary development expenses to sales	12.4	11.6	0.8%p	-

Valid tax rates	22.3	19.9	2.4%p	-

In 2024, sales decreased by 35,8 billion won compared to the previous period, totaling 1.8656 trillion won. The main factors for this decrease include a global economic slowdown and inflation leading to delayed market demand recovery, intensified competition among IC companies, and poor performance of major customers.

Gross profit from sales reached 819 billion won, an increase of 615.9 billion won compared to the previous period. Selling, general, and administrative expenses increased by 43.9 billion won due to increased costs associated with business expansion and research and development. Operating profit recorded an increase of 38 billion won compared to the previous period, amounting to 167.1 billion won.

(3) Business performance by business sector

(Unit: KRW 1 million, %)

Category	Business sector	2024	2023	Change	Rate of change(%)
Sales	System IC	1,865,622	1,901,445	(35,823)	(1.9)
Operating profit	System IC	167,077	129,036	38,041	29.5

[System IC Division]

In 2024, the sales of the System IC division decreased by 1.9% compared to the previous period, totaling 1.8656 trillion won, and operating profit was 167.1 billion won, a decrease of 29.5% from the previous period.

Throughout 2024, a challenging business environment characterized by global economic recession, inflation causing delayed market demand recovery, intensified competition among IC companies, and sluggish performance of major customers, revenue turned to a slight decline.

The Company has been striving to expand its market share by strengthening its product lineup, pushing for expansion of products in the Chinese market, and advancing proactive R&D. As a result, selling, general, and administrative expenses, including labor costs and research and development expenses, increased by approximately 10.8% compared to the previous period, and operating profit increased by approximately 29.5%.

(4) Key consideration

The Company's sales and purchases are based on USD-based unit price calculation and settlement, so fluctuations in the won-dollar exchange rate are a major factor affecting the business performance. As wafer price varies greatly depending on the market supply and demand environment, it is necessary to carefully monitor the price fluctuations of wafers.

(5) New business

The Company fostering various automotive products, such as semiconductors for automotive infotainment displays and next-generation power semiconductors, and is developing heat dissipation substrates that support high strength and high heat dissipation performance for use in electric vehicles. The Company plans to build business momentum for sustainable growth through investment and cultivation of new businesses, along with the acquisition of differentiated technologies.

For the details of the new business, refer to II. Business Activities - 7. Other References - C. Contents and prospects of new business.

D. Liquidity and resource provision and expenditures, etc.

(6) Liquidity index

(Unit: KRW 1 million, %)

Category	2024	2023	Change	Rate of change(%)
I. Current assets	1,124,302	902,886	221,416	24.5
Cash and cash equivalents	238,813	184,417	54,396	29.5
Deposit to financial institution	160,000	120,514	39,486	32.8
Trade receivables	448,799	204,969	243,830	119.0
Inventories	211,440	335,891	(124,451)	(37.1)
II. Current liabilities	351,838	207,337	144,501	69.7
Trade payables	153,444	97,601	55,843	57.2
Current ratio	319.6	435.5	(116)	(26.6)

Liquidity risk due to rapid economic fluctuations is not expected to be significant as the Company maintains a stable financial position through non-debt management and adequate liquidity reserve.

As of 31 December 2024, it holds cash and cash equivalents, deposits at financial institutions of 398.8 billion won, and trade receivables of 448.8 billion won, and it is believed to have adequate liquidity in preparation for the company's capital needs. The Company is preparing for uncertainties such as changes in the financial environment that may affect liquidity in the future. Since the current ratio is maintained at a high level of 319.6%, it is judged that it can flexibly respond to uncertain financial environments such as rapid changes in the financial environment that may affect liquidity in the future.

(7) Fund raising, etc.

As of the submission date of the report, the Company has no borrowing management, not borrowing from financial institutions based on good cash flow. Therefore, it is expected that exposure will be low to the risk of fluctuations, such as interest rates, that may arise from external asset provisions.

E. Off-balance sheet transactions

For information on the Company's off-balance sheet transactions, refer to Commitments and contingencies in III. Finances - 3. Notes on Consolidated Financial Statements, and 5. Notes on Financial Statements.

F. Other matters necessary for investment decision making

(1) Material accounting policies and estimates

The Company's financial statements are prepared by applying K-IRFS. For the details of the important accounting policies and estimates, refer to III. Finances.

(2) Environment and employees, etc.

For environmental sanctions or administrative measures, refer to XI. Other Matters for the Protection of Investors - 3. Sanctions, etc.

There are no significant employee-related changes, such as major key personnel movements.

(3) Regulation of the statutes

For main regulations related to the Company's business, refer to XI. Other Matters for the Protection of Investors - 3. Sanctions, etc.

(4) Derivatives and risk management policies

For derivatives and risk management policies of the Company, refer to II. Business Activities - 5. Risk Management and Derivatives and III. Finances - 3. Notes on Consolidated Financial Statements and 5. Notes on Financial Statements.

V. Audit Opinion, etc.

1. Matters concerning external audit

A. Name and audit opinion of auditor

Fiscal year	Classification	Auditor	Opinion	Basis	Material uncertainty related to going concern	Special remarks	Key audit matters
2024	Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation
	Consolidated Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation
2023	Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation
	Consolidated Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation
2022	Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation
	Consolidated Audit Report	Samil PwC	Unqualified	N/A	N/A	N/A	Inventory valuation

B. Audit service contract status (Unit: KRW 1 million, hour(s))

Fiscal year	Auditor	Contents	Audit contract details		Actual performance details	
			Remuneration	Hours	Remuneration	Hours
2024	Samil PWC Accountings	Audit of separate and consolidated financial statements of the quarterly and semi-annual Audit of the internal accounting management system	300	3,200	300	3,040
2023	Samil PWC Accountings	Audit of separate and consolidated financial statements of the quarterly and semi-annual Audit of the internal accounting management system	280	3,200	280	3,046
2022	Anjin Accounting Corp.	Audit of separate and consolidated financial statements of the quarterly and semi-annual Audit of the internal accounting management system	460	3,948	460	3,497

C. Non-audit service contracts with auditor (Unit: KRW 1 million)

Fiscal year	Contract date	Services	Period	Remuneration	Remarks
2024	Nov. 2024	Application service agreement	Dec. 2024 ~ Dec. 2027	15	-
	Nov. 2024	Tax advisory services	Nov. 2024 ~ Dec. 2024	20	-
	Aug. 2024	Tax advisory service	Aug. 2024 ~ Mar. 2025	12	-
	Jun. 2024	Agreed-upon procedures on verification of financial information	Jun. 2024 ~ June 2026	0	-
	Jan. 2024	Tax advisory service	Jan. 2024 ~ Jan. 2025	18	-
2023	Aug. 2023	Tax advisory service	Aug. 2023 ~ Dec. 2023	25	-
	Aug. 2023	Transfer pricing review	Aug. 2023 ~ Oct. 2023	10	-
	Aug. 2023	Tax advisory service	Aug. 2023 ~ Mar. 2024	12	-

	Dec. 2022	Tax advisory service	Dec. 2022 ~ Mar. 2023	5	Samil PWC Accountings (Contracts before signing the audit contract)
	Jul. 2022	Tax advisory service	Jul. 2022 ~ Mar. 2023	13	Samil PWC Accountings (Contracts before signing 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. Results of the internal audit organization's discussion with the accounting auditor on matters that may have a significant influence on the judgment of stakeholders in the financial statements

Category	Date	Attendees	Method	Details of major discussion
1	31 May 2022	Company: 3 members of the Audit Committee Auditor: Executive director	Written	Annual audit plan report, key audit items
2	31 Dec. 2022	Company: Company: 3 members of the audit committee Auditor: executive director	Written	Report on year-end audit plan, report on key audit matters
3	26 January 2023	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on the end-of-year audit results, and operation evaluation results internal accounting management system
4	26 July 2023	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on annual audit plan and progress
5	20 December 2023	Company: Company: 3 members of the Audit Committee Auditor: executive director	Written	Significant findings from audits and reviews Report on key audit progress
6	25 January 2024	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Significant findings from the audit, Report on final audit progress
7	11 March 2024	Company: Company: 3 members of the Audit Committee Auditor: executive director	Written	Report on final audit completion, and follow-up events
8	22 April 2024	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on the annual audit plan and quarterly review progress
9	25 July 2024	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on the annual audit plan and semi-annual review progress
10	12 November 2024	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on quarterly review progress
11	22 January 2025	Company: Company: 3 members of the Audit Committee Auditor: executive director	Face to face	Report on significant findings from audit and progress of year-end audit
12	10 March 2025	Company: Company: 3 members of the Audit Committee Auditor: executive director	Written	Final year-end audit report

E. Auditors opinion on subsidiaries

There is no subsidiary which has received any audit opinion other than appropriate from auditor during the current period.

F. Change of Auditors

As the designated audit period expired in 2020-2022, the Audit Committee appointed Samil PWC Accountings in the 25th-27th fiscal year auditor.

G. Details of discrepancies and major discussions from the adjustment meeting on opinion discrepancies of the financial statements in the current and previous period

As of the reporting date, there are no issues regarding errors or corrections in the previous financial statements due to disagreements between auditors in the current and previous period, so this is not applicable.

2. Internal Accounting Management System

A. Internal accounting management system

Based on the Audit Committee's evaluation of the internal monitoring system on 18 February 2025, the Company confirmed the opinion that the internal control is operating effectively, so the description is omitted.

B. Status of operation of internal accounting management system

(1) If the internal accounting manager has identified issues or suggested improvements to the internal control system, the details and subsequent measures are as follows:

As of the reporting date, there is no relevant information.

(2) If the auditor has expressed an opinion on the internal control system during the reporting period, that opinion, and if significant vulnerabilities were identified, the details and improvement measures are as follows:

As of the reporting date, there is no relevant information.

[Report by the internal accounting manager]

Fiscal year	Reporting date	Details	Remarks
2024	22 January 2025	The Company's internal accounting control system as of 31 December 2024 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	-
2023	25 January 2024	The Company’s internal accounting control system as of 31 December 2023 and 2022 is thought to be effectively designed and operated in terms of importance, considering the standard regulations on the internal accounting control system.	-
2022	26 January 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.	-

C. Evaluation of internal control structure

As of the reporting date, there have been no evaluations of the internal control structure other than the internal accounting management system by the auditor during the reporting period, thus there are no applicable matters.

D. Internal Control over Financial Reporting

(1) Management’s Assessment of the Effectiveness of Internal Control over Financial Reporting

Fiscal year	Classification	Report date	Assessment conclusion	Material weaknesses	Remediation plan, etc.
2024	Internal Control over Financial Reporting	22 January 2025	Determined to be effectively designed and	-	-

			operating from a materiality perspective		
	Consolidated Internal Control over Financial Reporting	-	-	-	-
2023	Internal Control over Financial Reporting	25 January 2024	Determined to be effectively designed and operating from a materiality perspective	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-
2022	Internal Control over Financial Reporting	26 January 2023	Determined to be effectively designed and operating from a materiality perspective	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-

(2) Audit (Committee)'s Assessment of the Effectiveness of Internal Control over Financial Reporting

Fiscal year	Classification	Report date	Assessment conclusion	Material weaknesses	Remediation plan, etc.
2024	Internal Control over Financial Reporting	18 February 2025	Determined to be effectively designed and operating from a materiality perspective	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-
2023	Internal Control over Financial Reporting	28 February 2024	Determined to be effectively designed and operating from a materiality perspective	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-
2022	Internal Control over Financial Reporting	22 February 2023	Determined to be effectively designed and operating from a materiality perspective	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-

(3) Auditor's Opinion (Review Conclusion) on Internal Control over Financial Reporting

Fiscal year	Classification	Auditor	Classification (audit/review)	Opinion or conclusion	Matters identified	Company's response
2024	Internal Control over Financial Reporting	Samil Accounting Corporation	Audit	Unqualified opinion	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-	-
2023	Internal Control over Financial Reporting	Samil Accounting	Audit	Unqualified opinion	-	-

		Corporation				
	Consolidated Internal Control over Financial Reporting	-	-	-	-	-
2022	Internal Control over Financial Reporting	Anjin Accounting Corporation	Audit	Unqualified opinion	-	-
	Consolidated Internal Control over Financial Reporting	-	-	-	-	-

E. Internal Control over Financial Reporting (ICFR) – Organization and Operation

(1) Status of Personnel and Certified Public Accountants in the ICFR Organization and Operation

Affiliated organization or department	Total Staff	Proportion of ICFR personnel holding CPA qualification			Average years of experience of ICFR personnel
		Number of ICFR personnel (A)	Number of CPAs (B)	Ratio (B/A*100)	
Audit Committee	3	3	-	-	55
Board of Directors	7	7	-	-	83
Accounting Department	20	12	-	-	120
Treasury Department	6	5	-	-	105
Asset Management Department	7	2	-	-	280
Other Relevant Departments	6	2	-	-	203

(2) Experience and Training Performance of Accounting Personnel

Position/Title	Name	Registered as Accounting Personnel	Experience (Unit: years, months)		Training hours (Unit: hours)	
			Years of Service	Accounting-related Experience	2024	Cumulative
Internal Control Manager	Kim Hoon	O	2 years 2 months	30 years 5 month	1	5
Accounting Officer	Lee Hyuk-joo	O	6 years	10 years	1	6
Accounting Staff	Oh Ye-won	O	3 years 9 months	15 years 6 months	16	48

VI. Matters on the Board of Directors and Other Corporate Bodies

1. Board of Directors

A. Overview of the structure of board of directors

As of the reporting date, the board of directors comprises of 2 full time directors, 1 uncategorized non-executive director and 3 external directors. executive director and 3 independent directors. Our representative director Lee Yun-Tae also takes charge of the chairman of the board of directors and he was elected as chairman in accordance with Article 5 of the Board of Directors Regulations. With regard to the history and roles of each director, please refer to VIII. Executives and Employees - 1. 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	Name of director	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 directors 3 external directors	Lee Yun-Tae, Wi Kyung-Woo (chairperson), Jung Seong-Wook, Kim Nam Soo	- Purpose To achieve ESG management in the areas of environment, society, and governance, and to realize sustainable growth by strengthening the Company’s internal control over internal transactions. - Authority Deliberation, resolution, and supervision over ESG management and overall internal transactions, including intercompany transactions among affiliates.

*1) Outside Director and Audit Committee Member Kim Nam-Soo was appointed at the 25th Annual General Meeting of Shareholders in 2024.

*2) Inside Director Lee Yun-Tae and Outside Director Kim Nam-Soo 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) Outside Director and Audit Committee Member Kim Nam-Soo was appointed at the 25th Annual General Meeting of Shareholders in 2024.
*2) Outside Director Han Sang-Beom was appointed at the 25th Annual General Meeting of Shareholders in 2024, with a three-year term of office.

B. Major resolutions

No.	Date held		Agenda	Passed or not	Name of director					
					Lee Yun-Tae	Kim Hun	Jung Seong-Wook	Shin Yeong-Soo	Wi Kwang-Woo	Roh Jin-Seo
					(attendance rate: 83%)	(attendance rate: 100%)	(attendance rate: 100%)	(attendance rate: 100%)	(attendance rate: 100%)	(attendance rate: 100%)
					Agreed or not					
1	25 Jan. 2024	Report	1. Report in the business performance and annual performance for the Q4, 2023	Reported matters	-	-	-	-	-	-
			2. Report on the operation status of internal control over financial reporting		-	-	-	-	-	-
			3. Report on the results of the audit committee meetings		-	-	-	-	-	-
			4. Report on the operation of the compliance control system		-	-	-	-	-	-
			5. Report on treasury contract execution		-	-	-	-	-	-
		Approved	1. Approval of the 25th financial statements and business report	Approved	Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			2. Approval of agenda items for the 25th Annual General Meeting of Shareholders		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			3. Approval of executive appointments		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
2	28 Feb. 2024	Report	1. Report on the evaluation result of the operation status of the internal accounting management system	Reported matters	-	-	-	-	-	-
		Approved	1. Approval of convocation and agenda items of the 25th ordinary general meeting of shareholders	Approved	Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
3	21 Mar. 2024	Approved	1. Appointment of the chairman of the board of directors	Approved	Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			2. Appointment of representative director		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			3. Appointment of ESG Committee Members		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			4. Approval of amendment to the Executive Personnel Management Regulations		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			5. Approval of execution of remuneration for directors		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			6. Approval of executive promotions		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
			7. Approval of extension of credit line limit		Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
4	22 Apr. 2024	Report	1. Report on business performance in the Q1, 2024	Reported matters	-	-	-	-	-	-
			2. Report on ESG Committee Meeting results		-	-	-	-	-	-
5	25 Jul. 2024	Report	1. Report on business performance in the Q2, 2024	Reported matters	-	-	-	-	-	-
			2. Report on Audit Committee Meeting results		-	-	-	-	-	-
		Approved	1. Approval of executive personnel appointments	Approved	Agreed	Agreed	Agreed	Agreed	Agreed	Agreed
6	12 Nov. 2024	Report	1. Report on 2nd ESG Committee Meeting results	Reported matters	-	-	-	-	-	-
			2. Report on 2nd Audit Committee Meeting results		-	-	-	-	-	-
			3. Report on 2024 Q3 Business Performance		-	-	-	-	-	-
		Approved	1. Approval of treasury stock repurchase by Major Shareholders**	Approved	Not attended	Agreed	Agreed	Agreed	-	Agreed
			2. Approval of renewal of LX Standard Transaction Agreement**		Not attended	Agreed	Agreed	Agreed	-	Agreed
			3. Approval of executive personnel appointments		Not attended	Agreed	Agreed	Agreed	Agreed	Agreed

*)** Approval No. 1, 2: Restriction on voting rights of director Roh Jin-Seo

C. Committee within the BOD

(1) Composition of committee within the BOD

Name of committee	Configuration	Name of director	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 directors 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) Refer to VI-2. Audit System for the Audit Committee.

*2) External director, Jung Seong-Wook has been appointed as a member of the ESG Committee at the 4th Board of Directors Meeting in 2024.

(2) Activities of the Committee within the BOD

[Finance Committee]

No.	Date held	Agenda		Passed or not	Name of director	
					Lee Yun-Tae	Kim Hun
					(attendance rate: 100%)	(attendance rate: 100%)
					Agreed or not	
1	02 April 2024	Approved	1. Approval of establishment of Taiwan subsidiary	Approved	Agreed	Agreed
			2. Approval of relocation of U.S. subsidiary office		Agreed	Agreed
			3. Approval of business closure		Agreed	Agreed
2	12 September 2024	Approved	1. Approval of closure of Taiwan liaison office	Approved	Agreed	Agreed

[ESG Committee]

No.	Date held	Agenda		Passed or not	Name of director			
					Lee Yun-Tae	Wi Kwang-Woo	Jung Seong-Wook	Kim Nam-Soo
					(attendance rate: 100%)	(attendance rate: 100%)	(attendance rate: 100%)	(attendance rate: 100%)
					Agreed or not			
1	11 Apr. 2024	Report	1. Report on the Promotion of Issuance of the Sustainability Management Report	Reported matters	-	-	-	-
			2. Report on the Status of Carbon Neutrality Implementat		-	-	-	-
		Approved	1. Approval of Human Rights Policy	Approved	Agreed	Agreed	Agreed	Agreed
3	01 Nov. 2024	Report	1. Report on ESG management promotion status and plans	Reported matters	-	-	-	-
			2. Report on 2024 internal transactions performance		-	-	-	-
		Approved	1. Approval of total transaction amounts with related parties	Approved	Agreed	Agreed	Agreed	Agreed
			2. Approval of treasury stock transactions by major shareholders		Agreed	Agreed	Agreed	Agreed
			3. Approval of renewal of LX trademark license agreement		Agreed	Agreed	Agreed	Agreed

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 end of the current fiscal year are less than 2 trillion won, 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 seven directors elected in accordance with these procedures as of 31 December 2024 are as follows:

Job title	Name	Background of appointment	Recommended by	Field of activity (business in charge)	Transactions with the Company Transactions	Relationship with the largest or major shareholders	Term of office	Consecutive term or not (No. of consecutive terms)
Internal director	Lee Yun-Tae	During his tenure as CEO of Samsung Electro-Mechanics Co., Ltd., he led bold investments and comprehensive restructuring, driving the company to achieve its best-ever performance and making significant contributions to its growth. Leveraging this expertise, he is expected to overcome internal and external challenges and help the Company grow into a sustainably expanding global semiconductor fabless enterprise, thereby greatly enhancing shareholder value. Accordingly, he has been appointed as CEO in recognition of his capability to continuously strengthen the competitiveness of core businesses, explore future new businesses, advance the business structure, proactively address management risks, and promote ESG management to establish a foundation for sustainable growth.	BOD	CEO, board chairman	Not applicable	Registered executive of a subsidiary (LX Semicon)	3 yrs.	Reappoined (2)
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 overall management. Appointed as internal director.	BOD	CFO, internal accounting manager		Registered executive of a subsidiary (LX Semicon)	3 yrs.	-
Other non-executive director	Roh Jin-Seo	He has been 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 Kwang-Woo	He is currently a professor at the department of business administration at Sookmyung Women's University, 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, Chairman of ESG committee		Not applicable	3 years	Reappoined (1)
External director	Jung Seong-Wook	He is currently working in the Department of Electrical and Electronic Engineering at Yonsei University. He has been appointed as an outside 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 outside 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, ESG member		Not applicable	3 years	-
External director	Kim Nam-Soo	With a Master’s and Doctorate in Electrical and Electronic Engineering from KAIST, he is currently serving as a Professor in the Department of Electrical and Computer Engineering at Seoul National University. As an expert in electrical and electronic engineering, he is expected to provide clear guidance on the Company’s products and future business directions, and has therefore been appointed as an Outside Director.	BOD	Overall company management, audit committee member		Not applicable	3 years	-
External director	Han Sang-Beom	As an expert who has devoted decades to semiconductor and display research and development, he is expected to provide valuable insights on key decision-making matters, including various new investment initiatives pursued by the Company, by identifying areas for improvement and potential weaknesses with his exceptional expertise. Accordingly, he has been appointed as an Outside Director.	BOD	Overall company management,		Not applicable	3 years	-

*1) Inside Director **Yoon-Tae Lee** was appointed at the 25th Annual General Meeting of Shareholders in 2024, with a three-year term of office.
* 2) Inside Director **Hoon Kim** was appointed at the 24th Annual General Meeting of Shareholders in 2023, with a three-year term of office.

*3) Outside Director **Sung-Wook Chung** was appointed at the 24th Annual General Meeting of Shareholders in 2023, with a three-year term of office.
* 4) Outside Director **Nam-Soo Kim** was appointed at the 25th Annual General Meeting of Shareholders in 2024, with a three-year term of office.
*5) Outside Director **Sang-Beom Han** was appointed at the 25th Annual General Meeting of Shareholders in 2024, with a three-year term of office.

■ 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

− Main tasks: Support for the operation of the board of directors and the performance of duties of external directors

− Team staff: 8

Department	No. of staff	Position (service years)	Work period	Major activities
Legal affairs team	8	6 senior managers, 2 junior managers (Average 1.3 years)	Average 1.3 years	Pre-explanation of the board agenda for external directors Perform tasks such as support for requests necessary for the performance of external director duties, and establishment of external director workshops and seminar training schedules

*) The number of years of service is calculated based on the number of years of service at the Company.

(2) Training for external directors

[Status of training and workshops implementation for external directors]

Date	Organizer	Participating independent directors	Reason for absence	Details
27 Jan. 2022	Finance/IR, Accounting management and 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 Feb. 2022	Finance/IR, Accounting management and Management improvement team	Wi Kyung-Woo, Yoon Il-Goo, Shin Yeong-Soo	-	Evaluation results of the operation status of the internal accounting management system, evaluation result of the internal accounting management system, and audit report from the audit committee
17 Aug. 2022	Finance/IR, Accounting management and 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 internal accounting management system, performance report of internal audit department, and result report of evaluation on internal accounting management system design
06 Dec. 2022	Samil PWC Accountings (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 Jan. 2023	Legal team, and Financial accounting team	Wi Kyung-Woo, Yoon Il-Goo, Shin Yeong-Soo	-	Appointment of new external auditor
26 Jan. 2023	Legal team, management diagnosis/improvement team, financial accounting team, and internal accounting management 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 internal accounting management system operation status
22 Feb. 2023	Legal team, management diagnosis/improvement team	Wi Kyung-Woo, Yoon Il-Goo, Shin Yeong-Soo	-	Evaluation results of the operation status of the internal accounting management system, evaluation result of the internal accounting management system, and audit report from the Audit Committee
26 Jul. 2023	Legal team, Management diagnosis/improvement team, and Internal accounting management part	Wi Kyung-Woo, Yoon Il-Goo, Shin Yeong-Soo	-	Internal accounting management system operation status inspection plan, internal audit department report on performance for the first half of 2023 and plans for the second half of the year
25 Jan. 2024	Legal Team, Ethics Office	Wi Kyung-Woo, Jung Seong-Wook, Shin Yeong-Soo	-	Report on internal audit department performance and plans
28 Feb. 2024	Legal Team, Ethics Office	Wi Kyung-Woo, Jung Seong-Wook, Shin Yeong-Soo	-	Evaluation of 2023 operation status of internal control over financial reporting, review of 2023 internal control mechanisms, review of 2023 audit committee's audit report
11 Apr. 2024	Deloitte Anjin Accounting Corporation (External Training)	Wi Kyung-Woo, Jung Seong-Wook, Kim Nam-Soo	-	ESG Trends and Developments, Key ESG Issues in 2024
25 Jul. 2024	Legal Team, Internal Control Team, Management Diagnosis/Improvement Team	Wi Kyung-Woo, Jung Seong-Wook, Kim Nam-Soo	-	Operation review plan of internal control over financial reporting, report on internal audit department performance and second half plans
12 Nov. 2024	ES Business Division	Wi Kwang-Woo, Jung Seong-Wook, Han Sang-Beom, Kim Nam-Soo	-	Understanding of the Company's Heat Dissipation Substrate Business

2. Audit System

A. Audit Committee

(1) Status of Audit Committee members

Name	External director Y/N	Career Information	Accounting and financial experts		
			Yes or No	Type of expert	Related career
Wi Kwang-Woo	Yes	BA in Economics, SNU MA Business Administration, UCLA PhD Business Administration, UCLA Prof. of Business Administration, Sookmyung Women's University (1997~present) President of the Korean Financial Association (2021~present) External director of Mirae Asset Life Insurance (2020~Present)	Yes	Accounting and finance degree holders	BA in Economics, SNU MA in Business Administration, UCLA PhD Business Administration, UCLA (Current) Prof. of Business Administration, Sookmyung Women's University (1997~present) President of the Korean Financial Association (2021~present) External director of Mirae Asset Life Insurance (2020~Present)
Jung Seong-Wook	Yes	BA in Depar. of Electronic Engineering, Yonsei Uni. MA in Depar. 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)	-	-	-
Kim Nam-Soo	Yes	B.S. in Electronic Engineering, Seoul National University M.S. in Electrical and Electronic Engineering, KAIST Ph.D. in Electrical and Electronic Engineering, KAIST Professor, Department of Electrical and Computer Engineering, Seoul National University (Mar. 1998 – Present) Director, SNU 3D Audio Research Center (2012 – 2016) Director, SNU Institute of New Media and Communications (2016	-	-	-

		– 2019) Senior Researcher, Samsung Advanced Institute of Technology (May 1993 – Feb. 1998)				

*) Jung Seong-Wook, an external director and a member of the Audit Committee, was appointed at the 25th Annual General Meeting of Shareholders in 2024, with a three-year term of office.

(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 a thoroughly 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 works are clearly stated in the relevant rules in order to carry out the auditory works.

Main contents of election criteria	Whether selection criteria are satisfied	Related laws
Consisting of three directors	Satisfied (3 people)	Article 415-2 (2) of the Commercial Act
Two thirds or more of independent directors as members	Satisfied (all 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 Kwang-Woo	Appointed as an expert in finance and accounting, judged as the right person	Board of directors	Not applicable	Not applicable
Jung Seong-Wook	Appointed as a semiconductor expert, judged as the right person	Board of directors	Not applicable	Not applicable
Kim Nam-Soo	Appointed as an electrical and electronic engineering expert, judged as the right person	Board of directors	Not applicable	Not applicable

(3) Activities of the Audit Committee

No.	Date held	Agenda		Approved Y/N	External director			Remarks
					Wi Kwang-Woo (attendance rate: 100%)	Jung Seong-Wook (attendance rate: 100%)	Shin Yeong-Soo (attendance rate: 100%)	
					Agreed or not			
1	25 Jan. 2024	Report	1. Report on 2023 Q4 Business Performance and 2023 Annual Results	Reported matters	-	-	-	-
			2. Report on the Operation Status of Internal Control over Financial Reporting		-	-	-	
			3. Report on the 25th Financial Statements and Business Report		-	-	-	
			4. Report on the Status of External Auditor's Audit Progress		-	-	-	
		Approved	1. Approval of Matters Related to the Number of External Auditors, Audit Hours, and Audit Personnel Requirements		Agreed	Agreed	Agreed	
2	28 Feb. 2024	Approved	1. Approval of the Audit Committee's Evaluation Report on the Operation Status of Internal Control over Financial Reporting	Approved	Agreed	Agreed	Agreed	-

No.	Date held	Agenda		Approved Y/N	External director			Remarks
					Wi Kwang-Woo (attendance rate: 100%)	Jung Seong-Wook (attendance rate: 100%)	Shin Yeong-Soo (attendance rate: 100%)	
					Agreed or not			
			2. Approval of the Audit Committee's Evaluation Report on the Effectiveness of Internal Control Mechanisms		Agreed	Agreed	Agreed	
			3. Approval of the Audit Committee's Audit Report on the Financial Statements and Business Report		Agreed	Agreed	Agreed	
3	22 Apr. 2024	Report	1. Report on 2024 Q1 Business Performance	Reported matters	-	-	-	-
			2. Report on the Status of External Auditor's Audit Progress		-	-	-	
		Approved	1. Confirmation of 2023 External Auditor's Audit Activities	Approved	Agreed	Agreed	Agreed	
4	25 Jul. 2024	Report	1. Report on 2024 Q2 Business Performance	Reported matters	-	-	-	-
			2. Report on the Status of External Auditor's Audit Progress		-	-	-	-
		Approved	1. Approval of Non-Audit Service Contract with External Auditor	Approved	Agreed	Agreed	Agreed	-
5	12 Nov. 2024	Report	1. Report on 2024 Q3 Business Performance	Reported matters	-	-	-	-
			2. Report on the Status of External Auditor's Audit Progress		-	-	-	-
		Approved	1. Approval of Non-Audit Service Contract with External Auditor	Approved	Agreed	Agreed	Agreed	-

(4) Training implementation for the Audit Committee

Date	Organizer	Participating Audit Committee	Reason for absence	Details
06 Dec. 2022	Samil PWC Accountings	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 Nov. 2023	Samil PWC Accountings	Wi Kyung-Woo, Yoon Il-Goo, Shin Yeong-Soo	-	Support for evaluation of internal accounting management system, support for exercise of audit authority
01 Nov. 2024	Samil PWC Accountings	Wi Kyung-Woo, Jung Seong-Wook, Kim Nam-Soo	-	Changes in audit committee-related systems and operating trends

(5) Status of support organizations for the Audit Committee

Dept. (team) name	No. of employees (persons)	Position (service years)	Major activities
Legal affairs team	8	6 senior manager, 2 junior managers (average 1.3 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	3	3 senior managers (average 4.2 years)	Support for internal accounting audit

*) The number of years of service is calculated based on the number of years of service at the Company.

B. Compliance officers

(1) Personal information and major experience of compliance officers

Name	Date of Birth	Major career	Date of appointment
Yang Hee-Hyang	Sep. 1981	- BA in Laws, Korea Uni. - Lawyer (Korea) - Lawyer at Roadmap Law Firm - Legal Team, Saemaeul Geumgo Federation - Legal Team, LX Semicon Co., Ltd.	26 Jul. 2023

*) The compliance officer Yang Hee-Hyang, is a lawyer, and has met the compliance control standards and requirements of a Compliance Officer pursuant to Clause 5 of Article 542-13 of the Commercial Act.

(2) Major activities and results of the compliance officer

As a result of evaluating the effectiveness of the compliance control standards and checking compliance with them, the compliance control standards have been created and adhered to in accordance with all laws and regulations and control standards for compliance.

<table>
<tr><th>Checking on</th><th>Details</th><th>Check results</th></tr>
<tr><td rowspan="6">Always</td><td>Ensure that matters specified by the Commercial Act are stipulated in the compliance control standards</td><td>Details compliance control standards
- Appropriately established in accordance with the requirements of the Commercial Act and standard compliance control criteria.</td></tr>
<tr><td rowspan="4">Ensure that compliance control systems, procedures, instruments, training and compliance support matters are effectively established</td><td>Evaluation and management system of legal risks
- Formalizing legal risks and preparing detailed check items by type in progress</td></tr>
<tr><td>Independent business performance system of compliance support officer
- Compliance officers are appointed by the board of directors, and their tenure is guaranteed.</td></tr>
<tr><td>Sanctions system for violations
- Relevant contents are appropriately reflected in the employment rules and disciplinary regulations.</td></tr>
<tr><td>Compliance check and reporting system
- Relevant contents are appropriately reflected in the employment rules and disciplinary regulations.</td></tr>
<tr><td>Ensure that the categorization of risky actions, compliance check, matters relating to the compliance officer are effectively implemented</td><td>Compliance check and reporting system
- Preparing to carry out the regular annual compliance check and prepare and operate a process to report to the board of directors.</td></tr>
</table>

(3) Status of support organizations for the compliance officer

Dept. (team) name	No. of employees (persons)	Position (service years)	Major activities
Legal affairs team	8	6 senior manager, 2 junior managers (average 1.3 years)	Important matters related to the operation of the compliance control criteria

3. General Meeting of Shareholders, etc.

A. Voting system

(As of 31 December 2024)

Type of voting system	Concentrated voting system	Written voting system	Electronic voting system
Introduction	Exclusion	Not introduced	Introduced
Implementation	-	-	Ordinary general meeting of shareholders in 2020 The first extraordinary general meeting of shareholders in 2021 Ordinary general meeting of shareholders in 2022 Ordinary general meeting of

*1) The Company implements a voting system by proxy, and the methods of delegation include direct issuance of a written power of attorney, post or fax, posting on the Internet website, etc., and sending it by e-mail.
*2) In accordance with Article 382-2 of the Commercial Act, shareholders who own 3% of the total number of issued stocks may request that the directors be appointed by the intensive voting method. The Company does not stipulate matters concerning the written voting system in the articles of incorporation, and the electronic voting system can be implemented by the resolution of the board of directors. It was approved for the implementation of the electronic voting system by the resolution of the first board of directors, which was held on 27 January 2021.

B. Exercise of the right of the minority shareholders

As of the reporting date, there is no relevant information.

C. Competition over management right

As of the reporting date, there is no relevant information.

D. Status of Voting Rights

(As of 31 December 2024) (Unit: shares)

Category	Type of shares	Number of shares	Remarks
Total number of shares issued (A)	Common shares	16,264,300	-
	Preferred shares	-	-
Number of shares without voting rights (B)	Common shares	-	-
	Preferred shares	-	-
Number of shares with restricted voting rights based on the Articles of Association laws (C)	Common shares	-	-
Number of shares (C)	Preferred shares	-	-
Number of shares with restricted voting rights based on other laws (D)	Common shares	-	-
	Preferred shares	-	-
Number of shares with resurrected voting rights (E)	Common shares	-	-
	Preferred shares	-	-
Number of shares with voting rights (F = A - B - C - D + E)	Common shares	16,264,300	-
	Preferred shares	-	-

E. Operations for shares

Category	Details
Preemptive rights based on the Articles of Association	Shareholders have the rights to receive new shares in proportion to the number of shares held by themselves. Despite Clause 1, the Company may distribute new shares in the event of the following, When the Company issues new shares via the general capital increase by public offering based on their solution of the board of directors according to Article 165 6 of the「Act on Capital Market and Financial Investment」 When the Company issues new shares via stock option according to Article 542-3 of the 「Commercial Act」 Primary distribution to the members of the Employee Stock Ownership Association within 20% of the total number of shares issued When necessary to achieve the management goals such as the introduction of new technology and improvement of the financial structure according to Article 418 of the Commercial Act In the case of collecting new shares or having the acquirers take over the shares to be listed in the security market or KOSDAQ; When the Company issues new shares for foreigners investment based on the reasons of management according to the Foreigners Investment Promotion Act When issuing new shares according to the issuance of depository receipts(DR) within 50% of the total number of shares issued The handling of odd lots generated from the allocation of shares and new shares based on the abandonment or loss of preemptive rights shall be Decided based on the resolution of the board of directors. Pursuant to Section 2, in the event one other than a shareholder assigns a new stock, he/she shall notify the shareholder at least two weeks prior to the date of payment the provisions prescribed in Sections 1,2 and 2(2), 3 and 4 of Article 416 of the Commercial Act.
Settlement date	31 December
Ordinary general meeting of shareholders	Within three months after the closing of each fiscal year
Period closing the shareholders list	1 January ~ 7 January, every year (the closing date of the shareholders list: 31 December, every year)
Type of shares	One share, 5 share, 10 share, 50 share, 100 share, 500 share, 1000 share, and 10,000 share certificates(8 types)
Transfer agent	The Korea Securities Depository / Busan International Finance Center (BIFC), 40, Munhyeon Geumyung Road, Nam gu, Busan, Korea / (Tel) +82 51 519 1500
Public notices	Notices of the Company shall be carried on the website at https://www.lxsemicon.com. When network glitches or other unavoidable factors prevent the posting at its Website, the Company makes notices at the Maeil Economic Daily published in Seoul.

F. Summary of minutes of shareholders meeting

Date	Agenda	Shareholder proposal agenda item	Key discussion topics	Resolution
2024 Ordinary general meeting of shareholders (21 March 2024)	1. Approval of the 2024 consolidated financial statements and financial statements	N/A	Approval of financial statements	Approved
	2. Approval of amendment to the articles of incorporation	N/A	Improvement of dividend procedures	Approved
	3. Appointment of directors	N/A	Appointment of registered director	
	3-1: Appointment of internal director Lee Yun-Tae	N/A	Appointment of registered director	Approved
	3-2: Appointment of other non-executive director Roh Jin-Seo	N/A	Appointment of registered director	Approved
	3-3: Appointment of external director Han Sang-Beom	N/A	Appointment of registered director	Approved
	4. Appointment of a member of the Audit Committee – External director, Kim Nam-Soo	N/A	Appointment of registered director	Approved
	5. Approval of limit of remuneration for directors	N/A	Approval of remuneration limit	Approved
2023 Ordinary general meeting of shareholders (23 March 2023)	1. Approval of the 2023 consolidated financial statements and financial statements	N/A	Approval of financial statements	Approved
	2. Approval of amendment to the articles of incorporation	N/A	Appointment of audit committee member	Approved
	3. Appointment of directors	N/A	Specification of resolution requirements	
	3-1: Appointment of internal director Son Bo-Ik	N/A	Appointment of registered director	Approved
	3-2: Appointment of internal director Kim Hun	N/A	Appointment of registered director	Approved
	3-3: Appointment of external director Jung Seong-Wook	N/A	Appointment of registered director	Approved
	4. Appointment of a member of the Audit Committee - External director, Jung Seong-Wook	N/A	Appointment of registered director	Approved
	5. Approval of limit of remuneration for directors	N/A	Approval of remuneration limit	Approved
2022 Extraordinary general meeting of shareholders (23 September 2022)	1. Approval of KOSDAQ conditional delisting and KOSPI transfer	N/A	Approval of Transfer Listing	Approved
2021 Ordinary general meeting of shareholders (22 March 2022)	1. Approval of the 2021 consolidated financial statements and financial statements	N/A	Approval of financial statements	Approved
	2. Appointment of a director - External director, Wi Kyung-Woo	N/A	Appointment of registered director	Approved
	3. Appointment of members of the Audit Committee - External director, Wi Kyung-Woo	N/A	Appointment of registered director	Approved
	4. Approval of limit of remuneration for directors	N/A	Approval of remuneration limit	Approved
	5. Approval of revision of executive severance pay payment regulations	N/A	Revision of payout ratio	Approved

*) During the course of the above general meeting of shareholders, there were no amendments to the agenda items.

VII. Shareholders

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

(As of 31 December 2024) (Unit: Shares, %)

Name	Relationship	Type of shares	Number of shares owned and the stake				Remarks
			At the beginning		At the end		
			Number of shares	Ratio	Number 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	5,384,724	5,382,124	33.09	5,384,624	33.11
		-	-	-	-	-	-

*) CEO Lee Yun-Tae newly acquired 2,500 shares through on-market purchase on 23 January 2024

B. Major career and overview of the largest shareholder

Matters related to the largest shareholder as of the reporting date are as follows:

(1) Basic information of the largest shareholder

Name	Number 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.	61,270	Koo Bon-Joon	20.37	-	-	Koo Bon-Joon	20.37
		Roh Jin-Seo	-	-	-	-	-

*1) The number of investors is as of 31 December 2024, 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 May 2021	Koo Bon-Joon	7.72	-	-	Koo Kwang-Mo	15.95
03 May 2021	Song Chi-Ho	-	-	-	-	-
14 December 2021	Koo Bon-Joon	40.04	-	-	Koo Bon-Joon	40.04
27 December 2021	Koo Bon-Joon	20.37	-	-	Koo Bon-Joon	20.37
29 March 2002	Roh Jin-Seo	-	-	-	-	-

*1) CEOs Koo Bon-Joon and Song Chi-Ho have been nwely 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 has been 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 largest shareholder, as of 31 December 2024 is as follows:

(Unit: KRW 1 million)

Category	
Name of corporation or organization	LX Holdings Co., Ltd.
Total assets	1,039,587
Total liabilities	12,614
Total equities	1,026,973
Sales	65,416
Operating profit	34,591
Net income	41,785

*1) Based on consolidated financial statements at 31 December 2023.

*2) For the financial status as of 31 December 2023, refer to the business report of LX Holdings Co., Ltd. to be disclosed within March 2024.

(3) Major contents that may affect the stability of the Company's business including business status

Our largest shareholder, LX Holdings Corp., was established through a spin-off from LG Corp. on 01 MAY 2021, which was the record date of the spin-off. As of 31 December 2024, LX Holdings Corp. is a holding company that controls its overall business activities through equity ownership in LX International Corp., LX Hausys Corp., LX Semicon Co., Ltd., LX MMA Corp., LX MDI Corp., and LX Ventures Corp. The main sources of revenue for LX Holdings Corp. consist of dividend income, trademark royalty income, and others.

C. The details for changes to the largest shareholder

(As of 31 December 2024) (Unit: Shares, %)

Date of change	Name of the largest shareholder	Number of shares owned	Ratio	Reason for change	Remarks
03 May 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

(1) Status of shares held

(As of 31 December 2024) (Unit: shares)

Category	Name of shareholders	Number of shares owned	Ratio(%)	Remarks
5% or higher shareholders	LX Holdings Co., Ltd.	5,380,524	33.08	-
	National Pension Service	1,073,204	6.60	-
Employee stock ownership association		3,443	0.02	-

(2) Status of minority shareholders

(As of 31 December 2024) (Unit: shares)

Category	Shareholders			Shares hold			Remarks
	Minority shareholders	Total shareholders	Ratio(%)	Minority shares	Total number of shares issued	Ratio(%)	
Minority shareholders	46,638	46,646	99.98	9,504,776	16,264,300	58.44	-

(3) Share Price and Share Trading

The share price and trading volume of common share of the Company over the past six months are as follows:

(Unit: KRW, shares)

Types		2024					
		July	August	September	October	November	December
Share price	Max.	83,400	76,000	68,900	66,500	62,500	59,100
	Min.	73,100	63,100	60,000	59,500	54,000	50,300
	Average	77,952	70,043	63,167	62,965	58,567	55,735
Volume of transaction	Maximum (days)	256,417	154,482	75,525	59,883	122,363	108,446
	Minimum (days)	31,565	15,038	16,104	18,263	17,415	21,335
	Monthly total	2,250,739	1,041,101	719,368	646,890	43,665	965,003

※ The maximum and minimum share prices as well as the amount of trade are based on the closing price and the amount of daily transaction of the day.

VIII. Executives and Employees

1. Status of Executives and Employees

A. Status of executives

(As of 31 December 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. 2024 ~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. 2023 ~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	Male	July 1962	Director	External director	Non-regular	Business for overall management Chairman of the Audit Committee, Chairman of ESG committee	PhD. Business Administration, UCLA Prof. of Business Administration, Sookmyung Women's Uni.	-	-	Not applicable	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. 2024 ~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	10.1965	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	-
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	-
Yoon Ho Kwon	M	01.1968	MD	Unreg. Dir.	Reg.	Marketing	Ph.D. in Electronic Engineering, The Ohio State University Head of Sales and Marketing Division, ABOV Semiconductor	-	-	Unreg. Exec. affiliates (LX Semicon)	05.08 2024 ~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)	01.02. 2024 ~present	-
Han Young-Soo	M	09.1971	MD	Unreg. Dir.	Reg.	Head of new business strategy	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	Male	May 1968	Director	Unregistered director	Regular	Quality management	(BS) Electronic Engineering, Kumoh National Institute Technology Display Team, LG Semiconductor	6	-	Unregistered executive of a subsidiary (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)	19.03 2018 ~present	
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 Hyun-Gyu	M	02.1971	Dir.	Unreg. Dir.	Reg.	Under Reseasrch Center	PhD in Electrical and Electronic Engineering, KAIST Electronics and Telecommunications Research Institute (ETRI)	-	-	Unreg. Exec. affiliates (LX Semicon)	01.09 2003 ~present	-

Jung 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	-

*1) The number of shares owned includes allocations of shares under the employee stock ownership plan to unregistered executives (Na Joon-Ho, Jeon Hyeon-Gyu).
*2) Kim Hun, an internal director, concurrently serves as a director of Advanced Power Device Technology Co., Ltd.
*3) Jeon Hyeon-Gyu, a director, concurrently serves as a director of Advanced Power Device Technology Co., Ltd.
*4) Wi Kwang-Woo, an external director, concurrently serves as an outside director of Mirae Asset Life Insurance Co., Ltd.
*5) Lee Yun-Tae, President, was newly appointed as an internal director on 21 March 2024.
*6) Roh Jin-Seo, a director, was reappointed as an other non-executive director on 21 March 2024.
*7) Han Sang-Beom, a director, was newly appointed as an outside director on 21 March 2024.
*8) Kim Nam-Soo, a director, was newly appointed as an outside director on 21 March 2024.
*9) Cho Jang-Ho, Senior Managing Director, was newly appointed on 1 February 2024.
*10) Park Jeong-Hyun, a director, was newly appointed on 1 January 2024.
*11) Shin Young-Soo, a director, completed his term as an outside director on 17 March 2024.
*12) Son Bo-Ik, President, retired on 31 March 2024.
*13) Park Byung-Hoo, Senior Managing Director, retired on 31 March 2024.
*14) Jang Jae-Ryang, a director, retired on 31 March 2024.
*15) Woo Young-Jin, Senior Managing Director, retired on 30 June 2024.
*16) Yoon Ho-Gwon, Senior Managing Director, was newly appointed on 5 August 2024.
*17) Ko Dae-Hyup, Executive Managing Director, retired on 31 December 2024.
*18) Na Joon-Ho, Executive Managing Director, was promoted to Senior Executive Vice President as of 1 January 2025.
*19) Yoon Ho-Gwon, Senior Managing Director, was promoted to Executive Managing Director as of 1 January 2025.
*20) Cho Jang-Ho, Senior Managing Director, was promoted to Executive Managing Director as of 1 January 2025.
*21) Moon Yong-Hwan, a director, was newly appointed on 1 January 2025.
*22) Park Jin-Woo, a director, was newly appointed on 1 January 2025.
*23) Lee Jong-Hwa, a director, was newly appointed on 1 January 2025.

[Current status of executives holding concurrent positions]

Name	Job title	Status of additional positions	Regular or not
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

*1) He is registered as a non-executive director of LX Ventures Co., Ltd. in July 2023.
Korea Glass Industry Co., Ltd. changed its name to LX Glass Co., Ltd. as of 1 October.

[Status of Newly Appointed Executives from the End of the Reporting Period (31 December 2024) to the Submission Date (12 March 2025)]

Name	Gender	DOB	Position	Register	Regular	Responsibilities	Date of Appointment
Moon Yong-Hwan	Male	May 1976	Director	Non-Reg.	Regular	R&D	01 Jan. 2025
Park Jin-Woo	Male	January 1974	Director	Non-Reg.	Regular	R&D	01 Jan. 2025
Lee Jong-Hwa	Male	November 1976	Director	Non-Reg.	Regular	Business Management Strategy	01 Jan. 2025

B. Status of candidates for appointment and dismissal of registered executives

Category	Name	Gender	DOB	External director Applicable to external director candidates	Major career	Expected date of appointment/dis missal	Relationship with the largest shareholder
Newly appointed	Kim Beom	Male	July 1968	External director	(Current) Professor, School of Finance, Soongsil University (Current) Risk Management Committee Member, National Federation of Fisheries Cooperatives (Current) Vice President, Korean Finance Association	20 March 2025	Not applicable

C. Status of employees, etc.

(As of 31 December 2024) (Unit: KRW 1 million)

Employees										Non-affiliated worker			Remarks
Business sector	Gender	Number 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	1,141	0	46	14	1,187	6.00	130,111	110	123	81	204	-
Total	Female	255	0	18	9	273	4.49	20,761	76				-
Total		1,396	0	64	23	1,460	5.71	150,872	103				-

*) Non-affiliated workers include dispatched and contracted workers.

(1) Status of Use of Childcare Support System

Category	2024	2023	2022
Number of Employees Using Parental Leave (Male)	11	12	12
Number of Employees Using Parental Leave (Female)	12	6	8
Number of Employees Using Parental Leave (Total)	23	18	20
Parental Leave Utilization Rate (Male)	5%	4%	0%
Parental Leave Utilization Rate (Female)	67%	75%	64%
Parental Leave Utilization Rate (Total)	19%	9%	11%
Employees Remaining in Service for 12 Months or More after Returning from Parental Leave (Male)	11	3	3
Employees Remaining in Service for 12 Months or More after Returning from Parental Leave (Female)	8	4	2
Employees Remaining in Service for 12 Months or More after Returning from Parental Leave (Total)	19	7	5
Number of Employees Using Reduced Working Hours for Childcare	8	8	4
Number of Employees Using Spousal Paternity Leave	35	51	42

*1) Number of employees using parental leave: Number of employees who commenced parental leave during the year

*2) Parental leave utilization rate: Number of employees who used parental leave for their newborn child ÷ Number of employees with a newborn child during the year

*3) Number of employees using reduced working hours for childcare: Number of employees who commenced reduced working hours for childcare during the year

*4) Number of employees using spousal paternity leave: Number of employees who commenced spousal paternity leave during the year

(2) Status of Use of Flexible Work Arrangements

Category	2024	2023	2022
Adoption of flexible work arrangements	Adopted	Adopted	Adopted
Number of employees using flexible working hours (staggered working hours)	0	0	0
Number of employees using flexible working hours (flextime)	1,460	1,543	1,581
Number of employees using remote work (including work-from-home)	834	513	1,430

*1) Number of employees using flextime: Number of employees in service at year-end (as of the disclosure preparation date)
*2) Number of employees using remote work (including work-from-home): Number of employees who worked remotely (including work-from-home) at least once during the year

[Status of remuneration for non-registered executives]

(As of 31 December 2024) (Unit: KRW 1 million)

Category	Number of persons	Total annual salary	Average salary per person	Remarks
Unregistered director	17	6,501	382	-

2. Remuneration to Executives

A. Remuneration for all directors and auditors

<Remuneration to all directors and auditors>

(1) Amount approved by shareholders' meeting

(Unit: KRW 1 million)

Category	Number of persons	Amount approved by shareholders' meeting	Remarks
Registered director (excluding external directors and members of the Audit Committee or auditors)	3	-	The amount approved at the general meeting of shareholders is based on the sum of registered executives.
External director (excluding members of the Audit Committee or auditors)	1	-	The amount approved at the general meeting of shareholders is based on the sum of registered executives.
Members of the Audit Committee 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: KRW 1 million)

Number of persons	Total amount	Average per capita remuneration	Remarks
6	1,731	289	-

*) Other non-executive directors (Roh Jin-Seo) has 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: KRW 1 million)

Category	Number of persons	Total amount	Average per capita remuneration	Remarks
Registered director (excluding external director and members of the Audit Committee)	2	1,449	725	-
External director (excluding members of the Audit Committee)	1	24	24	-
Members of the Audit Committee	3	258	86	-
Audit	-	-	-	-

*1) Other non-executive directors (Roh Jin-Seo) has 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 (4) 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 outside 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 outside 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 won or more>

(1) Individual remuneration amount

(Unit: KRW 1 million)

Name	Position	Total amount	Remuneration not included in the total remuneration
Son Bo-Ik	Former representative director	4,699	-
Lee Yun-Tae	Representative director	1,094	-

(2) Calculation standard and method

(Unit: KRW 1 million)

Name	Type		Total amount	Calculation standard and method
Son Bo-Ik	Earned income	Salaries	573	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 won from January to March and about 32.9 million won from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - Paid about 26.3 million won from January to March
		Bonuses	-	N/A
		Stock option exercising profit	-	N/A
		Other employment income	11	Paid as welfare and benefits in accordance with internal regulations
	Retirement income		4,115	Calculated/paid in accordance with the executive retirement benefit payment regulations, based on monthly base salary, position-specific payment rate (2.5–4.0), and years of service (21.25 years).
	Other income		-	N/A
Lee Yun-Tae	Earned income	Salaries	1,087	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 won from January to March and about 67.8 million won from April to December. 2. Role-level

				- Taking into account the importance of the job and role in general, - Paid about 11.7 million won from January to March, and 27.1 million won from April to December.
		Bonuses	-	N/A
		Stock option exercising profit	-	N/A
		Other earned income	7	Paid as welfare benefits, etc. by internal regulations
	Retirement income		-	N/A
	Other income		-	N/A

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: KRW 1 million)

Name	Position	Total amount	Remuneration not included in the total remuneration
Son Bo-Ik	Former representative director	4,699	-
Koo Bon-Joon	CEO	1,161	-
Lee Yun-Tae	Representative director	1,094	-
Go, Dae-Hyup	Executive director	1,033	-

(2) Calculation standard and method

(Unit: KRW 1 million)

Name	Type		Total amount	Calculation standard and method
Son Bo-Ik	Earned income	Salaries	573	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 won from January to March and about 32.9 million won from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - Paid about 26.3 million won from January to March
		Bonuses	-	N/A
		Stock option exercising profit	-	N/A
		Other employment income	11	Paid as welfare and benefits in accordance with internal regulations
	Retirement income		4,115	Calculated/paid in accordance with the executive retirement benefit payment regulations, based on monthly base salary, position-specific payment rate (2.5–4.0), and years of service (21.25 years).
	Other income		-	N/A
Koo Bon-Joon	Earned income	Salaries	1,161	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 won from January to March and about 97.5 million won from April to December.
		Bonuses	-	N/A
		Stock option exercising profit	-	N/A
		Other employment income	-	N/A
	Retirement income		-	N/A
	Other income		-	N/A
Lee Yun-Tae	Earned income	Salaries	1,087	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 won from January to March and about 67.8 million won from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - Paid about 11.7 million won from January to March, and 27.1 million won from April to December.
		Bonuses	-	N/A

		Stock option exercising profit	-	N/A
		Other earned income	7	Paid as welfare benefits, etc. by internal regulations
	Retirement income		-	N/A
	Other income		-	N/A
Go, Dae-Hyup	Earned income	Salaries	430	1. Basic salary - Determined by considering the position, etc. in accordance with the executive remuneration regulations determined by the board of directors. - Paid about 32 million won from January to March and about 32.9 million won from April to December. 2. Role-level - Taking into account the importance of the job and role in general, - Paid about 37.5 million won from January to December
		Bonuses	-	N/A
		Stock option exercising profit	-	N/A
		Other earned income	11	Paid as welfare benefits, etc. by internal regulations
	Retirement income		592	Calculated/paid in accordance with the executive retirement benefit payment regulations, based on monthly base salary, position-specific payment rate (1.5–3.0), and years of service (7 years).
	Other income		-	N/A

D. Status of Grant and Exercise of Stock Options

As of the reporting date, there is no relevant information.

IX. Affiliates

Name of the relevant corporate group and names of affiliates

A. Affiliates (Summary)
- Name of Group: LX
- Company name: LX Semicon Co., Ltd. (Corporation Registration Number: 160111-0089395)

As of 1 May 2024, the LX Group was designated as a mutual investment-restricted corporate group under the Monopoly Regulation and Fair Trade Act. As of 31 December, there are a total of 17 domestic affiliated companies within the LX Group, including 4 listed companies and 13 unlisted companies.

(As of 31 December 2024) (Unit: Companies)

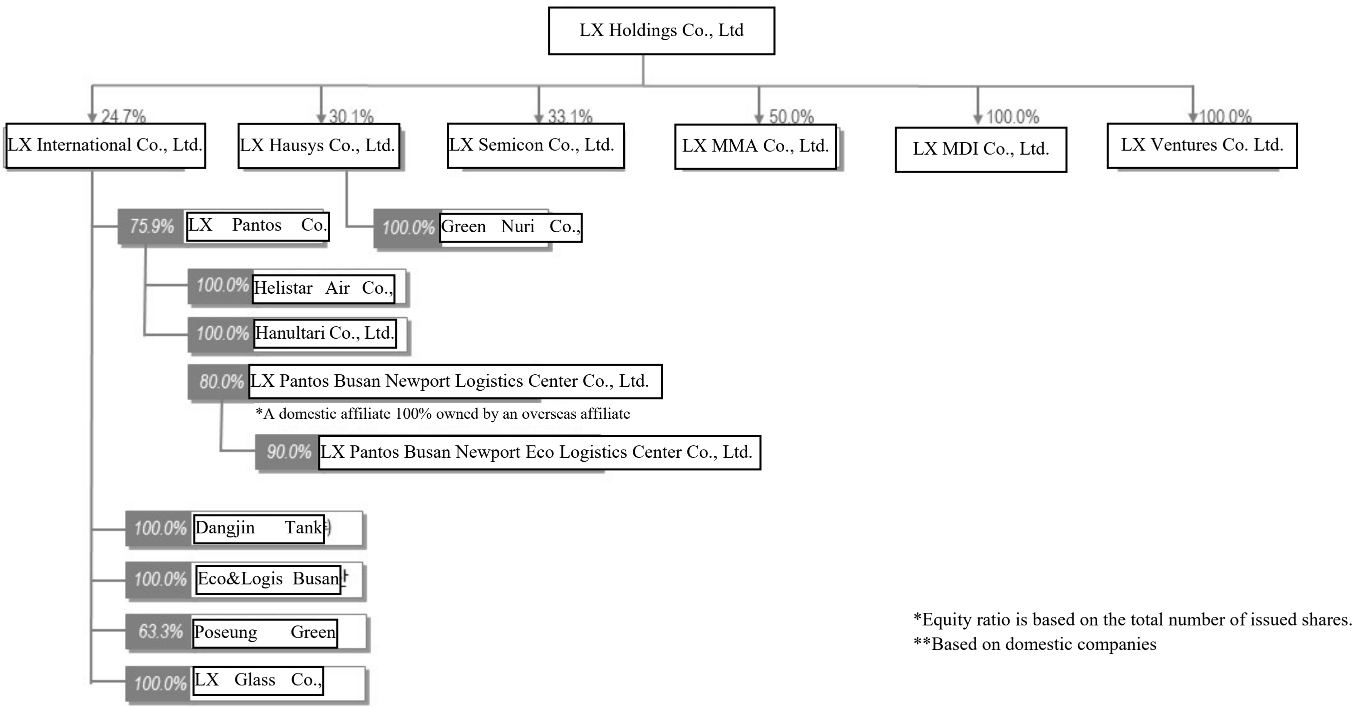
Name of corporate group	Number of affiliates		
	Listed	Unlisted	Total
LX	4	13	17

※ Refer to Detailed Table - 2. Affiliates (Detailed).

B. Diagram to identify the control, dependence and Investment among subsidiaries

Governance structure of LX Group

As of December 2024



2. Name of companies and details among the affiliates, which directly or indirectly affects the management of the Company

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

3. Status of additional positions between the Company and the affiliates

[As of 31 December 2024]

Name	Position	Status of additional positions		
		Concurrent company name	Position	Regular or not
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 31 December 2024) (Unit: KRW 1 million)

Purpose of investment	Number of investment company			Total investment amount		
	Listed	Unlisted	Total	Book value as	Increase(decrease)	Book value as

				of 1 January	Acquisition (disposition)	Assessed profit or loss	of 31 December
Management participation	1	6	7	44,434	717	-	45,151
General investment	-	1	1	2,800	-	-	2,800
Simple investment	-	1	1	-	-	-	-
Total	1	8	9	47,234	717	-	47,951

※ Refer to Detailed Table -3. Investment in Other Companies (Detailed).

X. Transactions with Large Shareholders

A. Credit granting to large shareholders

As of the reporting date, there is no relevant information.

B. Transfer or succession of assets to or from large shareholders

As of the reporting date, there is no relevant information.

C. Operational transactions with large shareholders

As of the reporting date, there is no relevant information.

D. Transactions with stakeholders other than major shareholders

For details, refer to III. Finances - 5. Notes on Financial Statements - 34. Related parties.

XI. Other Matters Necessary for the Protection of Investors

1. Progress and Changes of Disclosure

As of the reporting date, there is no relevant information.

2. Contingent Liabilities

A. Important litigations

As of the reporting date, it is believed 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 31 December 2024) (Unit: sheets, million won)

Submitted to	Sheets	Amount	Remarks
Sheets	-	-	-
Financial institution (Except for banks)	-	-	-
Corporate	-	-	-
Others (individual)	-	-	-

C. Status of debt guarantee

As of the reporting date, there is no relevant information.

D. Other contingent liabilities, etc.

As of the reporting date, there is no relevant information.

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.

As of the reporting date, there have been no sanctions from the Korea Exchange or other financial supervisory authorities.

C. Occurrence and return of profits from short-term trading

As of the reporting date, there is no relevant information.

4. Major Events and Other Matters Occurring After the Reporting Date

A. Significant incidents after the basic date for preparation

As of the reporting date, there is no relevant information.

B. Post-merger information, etc.

As of the reporting date, there is no relevant information.

C. Status of Subsidiaries of Foreign Holding Companies

As of the reporting date, there is no relevant information.

D. Green Management

As of the reporting date, there is no relevant information.

XII. Detailed Table

1. Consolidated Subsidiaries (Detailed)

(Unit: KRW 1 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	Oct. 2012	2952 BUNKER HILL LN #101 SANTA CLARA, CA 95054 USA	Sales support, etc.	1,945	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	Not applicable
LX Semicon China Co., Ltd.	Mar. 2017	Room 609 Zhongchen Building No.1 Lizezhong 2Road, Wangjing Chaoyangqu, Beijing, 100102, China	Sales support, etc.	11,732	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	Not applicable
LX Semicon Japan Co., Ltd.	Sep. 2021	Otemachi First Square East Tower 11F, 1-5-1 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan	Sales support, etc.	4,414	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	Not applicable
LX Semicon Taiwan Co., Ltd.	May. 2024	3F, No.16, Lane 606, Mingshui Rd, Zhongshan District, Taipei City, Taiwan	Sales support, etc.	1,581	Control over the investee (Paragraph 5 to 18 of K-IFRS 1110 Consolidated Financial Statements)	Not applicable

2. Status of Affiliates (Summary)

As of 01 May 2024, companies including LX Holdings Co., Ltd., LX International Co., Ltd., LX Semicon Co., Ltd., and LX Hausys Co., Ltd., among a total of 17 companies, were designated as a mutual investment-restricted corporate group under the Monopoly Regulation and Fair Trade Act.

A. Domestic corporations

(As of 31 December 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 Busan Newport Eco Logistics Center Co., Ltd.	194211-0380600

B. Overseas corporations

No.	Name of affiliate	Country
1	LX Hausys Americajnc.	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 (NINGBO) 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.	Taiwan
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. STL	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	PT. Tintin Boyok Sawit Makmur Dua	Indonesia
71	PT. PANTOS EXPRESS INDONESIA	Indonesia
72	LX PANTOS SINGAPORE PTE. LTD.	Singapore
73	LX PANTOS VIETNAM CO., LTD.	Vietnam
74	LX PANTOS PHILIPPINES, INC.	Philippines
75	PT. Parna Agromas	Indonesia
76	PT. Grand Utama Mandiri	Indonesia
77	PT. Tintin Boyok Sawit Makmur	Indonesia
78	PT. Green Global Utama	Indonesia
79		

80	PT. Energy Metal Indonesia	Indonesia
81	PT. Mega Global Energy	Indonesia
82	PT. Mega Prima Persada	Indonesia
83	KM Resources Inc.	Malaysia
84	LX PANTOS LOGISTICS (NINGBO) CO., LTD.	China
85	LX PANTOS LOGISTICS (SHENZHEN) CO., LTD.	China
86	LX PANTOS ARGENTINA S.A.	Argentina
87	LX PANTOS (THAILAND) CO., LTD.	Taiwan
88	LHC Solar. LLC	USA
89	LPIC TN LLC	USA
90	PT. SLX Global Healthcare	Indonesia
91	Ordos Lezheng Trading Limited	China
92	BOXLINKS LLC	USA
93	PT. Kinarya Prima Utama	Indonesia
94	PT Energy Battery Indonesia	Indonesia
95	PT Adhi Kartiko Pratama	Indonesia
96	PT. Terum Konawe Utara	Indonesia
97	PT PELAYARAN PUTRA LINTAS MANDIRITAMA	Indonesia

3. Status of Investment in Other Corporations (Detailed)

(As of 31 December 2024) (Unit: KRW 1 million, thousand shares, %)

Company name	Listed or not	Initial acquisition date	Purpose of investment	Initial acquisition amount	Balance as of 1 January			Increase(decrease)			Balance as of 31 December			Financial status for the most recent fiscal year	
					Qty.	Ratio	Book value	Acquisition (disposition) Qty.	Acquisition (disposition) Amount	Valuation Profit and loss	Qty.	Ratio	Book value	Total assets	Net Income
LX Semicon U.S.A., Inc	Unlisted	15 Oct. 2012	Management participation	555	2,000	100.00	137	-	-	-	2,000	100.00	137	1,945	121
LX Semicon China Co., Ltd.	Unlisted	03 Mar. 2017	Management participation	674	-	100.00	2,179	-	-	-	-	100.00	2,179	11,732	1,158
LX Semicon Japan Co., Ltd.	Unlisted	03 Sep. 2021	Management participation	317	60	100.00	1,215	-	-	-	60	100.00	1,215	4,414	386
LX Semicon Taiwan Co., Ltd	Unlisted	21 May. 2024	Management participation	717	-	-	-	1,700	717	-	1,700	100.00	717	1,581	38
Advanced Power Device Technology Co., Ltd.	Unlisted	12 Mar. 2018	Management participation	4,410	176	49.00	4,410	-	-	-	176	49.00	4,410	9,923	480
FJ Composite Materials Co., Ltd.	Unlisted	25 Nov. 2021	Management participation	6,836	85	28.70	9,723	-	-	-	85	28.70	9,723	22,474	494
Telechips Inc.	Listed	06 Jun. 2022	Management participation	26,770	1,515	10.00	26,770	-	-	-	1,515	10.00	26,770	374,791	62,638
LX Ventures New Technology Business Investment Association No. 1	Unlisted	23 Oct. 2023	General investment	2,800	2,800,000	23.33	2,800	-	-	-	2,800,000	23.33	2,800	11,588	-392
Daedeok Investment Co., Ltd.	Unlisted	20 May 2011	Simple investment	500	100	6.80	-	-	-	-	100	6.80	-	3,634	-53
Total					2,803,936	-	47,234	1,700	717	0	2,805,636	-	47,951	441,751	64,422

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

*2) LX Semicon Taiwan Co., Ltd. was newly established in May 2024 as a corporation with a December fiscal year-end, and its total assets and net income (loss) for the latest business year are stated as of 31 December 2024.

*3) Advanced Power Device Technology Co., Ltd. is a-settlement corporation, and total assets and net profit or loss for the most recent fiscal year are as of 31 March 2024.

*4) FJ Composite Materials Co.,LTD is a May-settlement corporation, and total assets and net profit or loss are as of 31 May

2024.
*5) Telechips Inc. is is a corporation whose accounts are closed in December, but before disclosure, so its total assets and net profit and loss for the most recent fiscal year are as of 30 September 2023.
*6) LX Ventures New Technology Business Investment Association No. 1 is a December-settlement corporation, and total assets and net profit or loss for the most recent fiscal year are as of 31 December 2024.
*7) Daedeok Investment Co., Ltd. is a December-settlement corporation, and total assets and net profit or loss for the most recent fiscal year are as of 31 December 2023.

【Confirmation by Expert】

1. Confirmation by Expert

As of the reporting date, there is no relevant information.

2. Interests with Expert

As of the reporting date, there is no relevant information.