

LG Electronics Inc. and its subsidiaries

Interim condensed consolidated financial statements
for the nine-month period ended September 30, 2024
with the independent auditor's review report

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Report on review of interim condensed consolidated financial statements

(English translation of a report originally issued in Korean)

The Stockholders and Board of Directors LG Electronics Inc.

We have reviewed the accompanying interim condensed consolidated financial statements of LG Electronics Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the interim condensed consolidated statement of financial position as of September 30, 2024, and the related interim condensed consolidated statements of profit or loss, interim condensed consolidated statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2024, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period ended September 30, 2024, and a summary of material accounting policy information and other explanatory information.

Management’s responsibility for the interim condensed consolidated financial statements

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

Auditor’s responsibility

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

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

Conclusion

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

Other matters

The interim condensed consolidated statements of profit or loss, interim condensed consolidated statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2023, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended, prepared in accordance with KIFRS 1034 and presented for comparative purposes, have been reviewed by Samil PwC whose review report dated November 14, 2023 expressed an unqualified review conclusion thereon.

Moreover, the consolidated statement of financial position as of December 31, 2023, and the related consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended (not presented herein) have been audited by Samil PwC, in accordance with KSA, whose report dated March 14, 2024 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2023, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.



November 14, 2024

This review report is effective as of November 14, 2024, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the date of the independent auditor's review report to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed consolidated financial statements and may result in modification to this review report.

LG Electronics Inc. and its subsidiaries

Interim condensed consolidated financial statements
for each of the nine-month periods ended September 30, 2024 and 2023

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

JOO WAN CHO
Chief Executive Officer
LG Electronics Inc.

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of financial position
as of September 30, 2024 and December 31, 2023

<i>(in millions of Korean won)</i>	Notes	September 30, 2024 (unaudited)	December 31, 2023
Assets			
Current assets			
Cash and cash equivalents	5,30	7,692,326	8,487,563
Deposits held by financial institutions	5,30	43,426	26,386
Trade receivables	5,6,30	11,076,780	9,265,022
Other receivables	5,6,30	1,258,715	595,793
Other financial assets	5,7,30	56,614	102,054
Inventories	8	11,015,890	9,125,404
Current tax assets		133,130	226,253
Contract assets	9	1,340,295	1,129,399
Other current assets		1,900,345	1,379,180
Assets held for sale	31	3,566	4,155
		<u>34,521,087</u>	<u>30,341,209</u>
Non-current assets			
Deposits held by financial institutions	5,30	193,687	195,189
Trade receivables	5,6,30	1,403,799	639,439
Other receivables	5,6,30	1,283,919	1,779,637
Other financial assets	5,7,30	442,131	385,370
Property, plant and equipment	10	16,462,698	16,818,629
Intangible assets	10	3,283,057	2,867,687
Deferred tax assets		2,915,162	2,821,557
Investments in associates and joint ventures	11	2,898,592	3,004,464
Investment properties		93,920	94,461
Net defined benefit assets	14	96,324	557,822
Contract assets	9	431,330	426,278
Other non-current assets		296,212	309,051
		<u>29,800,831</u>	<u>29,899,584</u>
		<u>64,321,918</u>	<u>60,240,793</u>
Total assets			
Liabilities			
Current liabilities			
Trade payables	5,30	10,652,905	9,427,288
Borrowings	5,12,30	2,935,189	2,601,636
Lease liabilities	5,13,30	333,569	336,772
Other payables	5,30	4,441,066	4,624,046
Other financial liabilities	5,7,30	4,235	9,292
Current tax liabilities		211,794	226,343
Provisions	15	1,456,854	1,049,625
Contract liabilities	9	2,234,439	1,898,005
Other current liabilities		4,498,859	3,987,373
		<u>26,768,910</u>	<u>24,160,380</u>
Non-current liabilities			
Borrowings	5,12,30	11,255,548	10,719,175
Lease liabilities	5,13,30	814,943	856,251
Other payables	5,30	229,959	212,648
Other financial liabilities	5,7,30	81,921	52,754
Deferred tax liabilities		27,587	35,025
Net defined benefit liabilities	14	125,908	105,278
Provisions	15	279,253	327,495
Contract liabilities	9	93,451	63,497
Other non-current liabilities		225,114	209,754
		<u>13,133,684</u>	<u>12,581,877</u>
		<u>39,902,594</u>	<u>36,742,257</u>
Total liabilities			
Equity			
Paid-in capital:	16		
Share capital		904,169	904,169
Share premium		3,088,179	3,088,179
Retained earnings	17	16,844,252	16,201,439
Accumulated other comprehensive income (loss)	18	(299,886)	(420,818)
Accumulated other comprehensive income (loss) from assets held for sale	18,31	(370)	(136)
Other components of equity	19	(108,096)	(108,079)
		<u>20,428,248</u>	<u>19,664,754</u>
Equity attributable to owners of the Parent Company			
Non-controlling interests			
		<u>3,991,076</u>	<u>3,833,782</u>
Total equity			
		<u>24,419,324</u>	<u>23,498,536</u>
Total liabilities and equity			
		<u>64,321,918</u>	<u>60,240,793</u>

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of profit or loss
for each of the three-month and nine-month periods ended September 30, 2024 and 2023 (unaudited)

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

Notes	Period ended September 30				
	2024		2023		
	Three-month	Nine-month	Three-month	Nine-month	
Continuing operations					
Net sales	20	22,176,370	64,966,707	20,037,853	59,529,083
Cost of sales	21	16,798,353	48,539,496	15,026,593	44,462,566
Gross profit		5,378,017	16,427,211	5,011,260	15,066,517
Selling expenses	21,22	2,929,689	8,258,115	2,478,965	7,247,693
Administrative expenses	21,22	589,209	1,665,552	494,043	1,439,999
Research and development expenses	21,22	683,125	1,991,541	637,141	1,846,751
Service costs	21,22	424,114	1,227,659	451,062	1,191,301
Operating profit (loss)		751,880	3,284,344	950,049	3,340,773
Financial income	23	198,259	818,938	310,268	1,012,610
Financial expenses	23	260,599	845,370	271,476	973,196
Profit (loss) from equity method valuation	11	(126,170)	(646,493)	(266,873)	(1,060,122)
Other non-operating income	24	486,299	1,481,066	484,911	1,675,190
Other non-operating expenses	24	514,747	1,661,316	588,785	1,891,797
Profit (loss) before income tax		534,922	2,431,169	618,094	2,103,458
Income tax expense (benefit)		188,084	853,664	155,741	777,194
Profit (loss) from continuing operations		346,838	1,577,505	462,353	1,326,264
Discontinued operations					
Profit (loss) from discontinued operations	32	(256,604)	(272,386)	22,909	(99,219)
Profit (loss) for the period		90,234	1,305,119	485,262	1,227,045
Profit (loss) for the period attributable to:					
Owners of the Parent Company					
Profit (loss) from continuing operations		305,184	1,354,798	362,506	1,117,990
Profit (loss) from discontinued operations		(256,604)	(272,386)	22,909	(99,219)
		48,580	1,082,412	385,415	1,018,771
Non-controlling interests					
Profit (loss) from continuing operations		41,654	222,707	99,847	208,274
Profit (loss) from discontinued operations		-	-	-	-
		41,654	222,707	99,847	208,274
Earnings (losses) per share attributable to owners of the Parent Company during the period (in Korean won): 25					
Earnings (losses) per ordinary share					
From continuing operations		1,693	7,520	2,012	6,205
From discontinued operations		(1,425)	(1,513)	127	(551)
		268	6,007	2,139	5,654
Earnings (losses) per preferred share					
From continuing operations		1,706	7,558	2,024	6,242
From discontinued operations		(1,425)	(1,513)	127	(551)
		281	6,045	2,151	5,691

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of comprehensive income
for each of the three-month and nine-month periods ended September 30, 2024 and 2023 (unaudited)

(in millions of Korean won)

	Notes	Period ended September 30			
		2024		2023	
		Three-month	Nine-month	Three-month	Nine-month
Profit (loss) for the period		90,234	1,305,119	485,262	1,227,045
Other comprehensive income (loss), net of tax					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Remeasurements of the net defined benefit liability	14	(108,600)	(199,019)	76,556	36,728
Share of remeasurements of associates	11	(17,655)	(19,394)	21	(594)
Financial assets at fair value through other comprehensive income	7	(3,842)	18,024	(3,630)	3,828
<i>Items that will be reclassified subsequently to profit or loss:</i>					
Share of other comprehensive income					
(excluding remeasurements) of associates and joint ventures	11	(97,471)	54,730	50,939	80,306
Cash flow hedges	30	(22,337)	(13,697)	8,092	(2,808)
Exchange differences on translation of foreign operations		(576,231)	89,748	65,954	622,444
Other comprehensive income (loss) for the period, net of tax		(826,136)	(69,608)	197,932	739,904
Total comprehensive income (loss) for the period, net of tax		(735,902)	1,235,511	683,194	1,966,949
Total comprehensive income (loss) for the period, net of tax, attributable to:					
Owners of the Parent Company		(698,652)	998,456	552,718	1,699,139
Non-controlling interests		(37,250)	237,055	130,476	267,810
Total comprehensive income (loss) for the period, net of tax		(735,902)	1,235,511	683,194	1,966,949

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of changes in equity
for each of the nine-month periods ended September 30, 2024 and 2023 (unaudited)

(in millions of Korean won)

		Attributable to owners of the Parent Company						Non-controlling interests	Total equity
Notes	Paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Accumulated other comprehensive income (loss) from assets held for sale	Other components of equity	Total			
	Balance as of January 1, 2023	3,992,348	15,834,021	(750,372)	838	(84,727)	18,992,108	3,499,889	22,491,997
	Total comprehensive income (loss):								
	Profit (loss) for the period	-	1,018,771	-	-	-	1,018,771	208,274	1,227,045
	Remeasurements of the net defined benefit liability	14	30,164	-	-	-	30,164	6,564	36,728
	Share of remeasurements of associates	11	(594)	-	-	-	(594)	-	(594)
	Financial assets at fair value through other comprehensive income	7	(208)	3,596	-	-	3,388	440	3,828
	Share of other comprehensive income (excluding remeasurements) of associates and joint ventures	11	-	80,306	-	-	80,306	-	80,306
	Cash flow hedges	30	-	(1,915)	-	-	(1,915)	(893)	(2,808)
	Exchange differences on translation of foreign operations		-	569,889	(870)	-	569,019	53,425	622,444
	Total comprehensive income (loss):		1,048,133	651,876	(870)	-	1,699,139	267,810	1,966,949
	Transactions with owners:								
	Dividends	17	(126,905)	-	-	-	(126,905)	(101,223)	(228,128)
	Changes in controlling interests in subsidiaries		-	-	-	(20,294)	(20,294)	9,775	(10,519)
	Paid-in capital increase of subsidiaries		-	-	-	-	-	4,800	4,800
	Total transactions with owners		(126,905)	-	-	(20,294)	(147,199)	(86,648)	(233,847)
	Balance as of September 30, 2023 (unaudited)	3,992,348	16,755,249	(98,496)	(32)	(105,021)	20,544,046	3,681,051	24,225,099
	Balance as of January 1, 2024	3,992,348	16,201,439	(420,818)	(136)	(108,079)	19,664,754	3,833,782	23,498,536
	Total comprehensive income (loss):								
	Profit (loss) for the period	-	1,082,412	-	-	-	1,082,412	222,707	1,305,119
	Remeasurements of the net defined benefit liability	14	(178,703)	-	-	-	(178,703)	(20,316)	(199,019)
	Share of remeasurements of associates	11	(19,394)	-	-	-	(19,394)	-	(19,394)
	Financial assets at fair value through other comprehensive income	7	(6,557)	24,346	-	-	17,789	235	18,024
	Share of other comprehensive income (excluding remeasurements) of associates and joint ventures	11	-	54,730	-	-	54,730	-	54,730
	Cash flow hedges	30	-	(11,346)	-	-	(11,346)	(2,351)	(13,697)
	Exchange differences on translation of foreign operations		-	53,202	(234)	-	52,968	36,780	89,748
	Total comprehensive income (loss)		877,758	120,932	(234)	-	998,456	237,055	1,235,511
	Transactions with owners:								
	Dividends	17	(234,945)	-	-	-	(234,945)	(81,762)	(316,707)
	Changes in controlling interests in subsidiaries		-	-	-	(17)	(17)	2,001	1,984
	Total transactions with owners		(234,945)	-	-	(17)	(234,962)	(79,761)	(314,723)
	Balance as of September 30, 2024 (unaudited)	3,992,348	16,844,252	(299,886)	(370)	(108,096)	20,428,248	3,991,076	24,419,324

LG Electronics Inc. and its subsidiaries
Interim condensed consolidated statements of cash flows
for each of the nine-month periods ended September 30, 2024 and 2023 (unaudited)

(in millions of Korean won)

	Notes	Nine-month period ended September	
		2024	2023
Cash flows from operating activities			
Cash generated from (used in) operations	26	2,917,874	5,230,190
Interest received		377,747	293,563
Interest paid		(452,224)	(384,293)
Dividend received		23,145	12,821
Income tax paid		(732,717)	(774,932)
Net cash provided by (used in) operating activities		2,133,825	4,377,349
Cash flows from investing activities			
Decrease in deposits held by financial institutions		58,537	117,941
Decrease in other receivables		61,191	116,177
Proceeds from withdrawal and disposal of other financial assets		169,973	36,234
Proceeds from disposal of property, plant and equipment		30,872	38,876
Proceeds from disposal of intangible assets		25,725	4,210
Proceeds from withdrawal and disposal of investments in associates and joint ventures		1,546	-
Proceeds from disposal of assets held for sale		-	13,358
Proceed from disposal of business unit		6,252	-
Increase in deposits held by financial institutions		(96,109)	(169,248)
Increase in other receivables		(76,910)	(1,135,659)
Acquisition of other financial assets		(101,868)	(78,760)
Acquisition of property, plant and equipment		(1,719,253)	(2,506,808)
Acquisition of intangible assets		(862,045)	(617,248)
Acquisition of investments in associates and joint ventures		(550,997)	(28,401)
Business combinations		(67,139)	-
Net cash provided by (used in) investing activities		(3,120,225)	(4,209,328)
Cash flows from financing activities			
Increase in borrowings		3,696,309	4,970,504
Increase due to transactions with non-controlling interests		117	63,717
Repayments of borrowings		(2,874,812)	(3,018,094)
Repayments of lease liabilities		(282,955)	(274,906)
Dividend paid and others		(316,706)	(228,128)
Net cash provided by (used in) financing activities		221,953	1,513,093
Effects of exchange rate changes on cash and cash equivalents		(30,790)	108,722
Net increase (decrease) in cash and cash equivalents		(795,237)	1,789,836
Cash and cash equivalents at the beginning of the period		8,487,563	6,322,360
Cash and cash equivalents at the end of the period		7,692,326	8,112,196

LG Electronics Inc. and its subsidiaries

Notes to the interim condensed consolidated financial statements

September 30, 2024 and 2023

1. General Information

LG Electronics Inc. (the “Company” or “Parent Company”) was spun off from LG Electronics Inc. on April 1, 2002. The Parent Company’s shares were listed on the Korea Exchange on April 22, 2002, and some of its preferred shares, in the form of global depositary receipts (“GDRs”), are listed on the London Stock Exchange at the end of the reporting period. The Parent Company is domiciled in Korea at Yeoui-daero, Yeongdeungpo-gu, Seoul.

As of September 30, 2024, LG Corp. owns 33.7% of the Parent Company’s total shares, excluding preferred shares, while financial institutions, foreign investors and others own the rest.

The Parent Company and its subsidiaries (collectively referred to as the “Group”) operate the following five major business segments: Home Appliance & Air Solution segment manufacturing and selling refrigerators, washing machines, vacuum cleaners, and residential and commercial air conditioners; Home Entertainment segment manufacturing and selling TVs and digital media products; Vehicle Component Solutions segment designing and manufacturing automobile parts; Business Solutions segment manufacturing and selling monitors, PCs, information displays and others; and LG Innotek Co., Ltd. operating optics solutions, substrate materials and automotive components businesses. As of September 30, 2024, the Parent Company has 151 subsidiaries (see Note 1 (a)), 23 associates and joint ventures (see Note 11).

LG Electronics Inc. and its subsidiaries

Notes to the interim condensed consolidated financial statements

September 30, 2024 and 2023

(a) Consolidated subsidiaries as of September 30, 2024 and December 31, 2023 are as follows:

Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
The Republic of Korea	South Korea	Hiplaza Co., Ltd.	100.0%	-	100.0%	-	December	Wholesales and retails of electronic products	More than half of voting rights
	South Korea	ACE R&A Co., Ltd.	100.0%	-	100.0%	-	December	Production and sales of air conditioning plants	More than half of voting rights
	South Korea	Hi M Solutek Co., Ltd.	100.0%	-	100.0%	-	December	Other general machinery and equipment repairs	More than half of voting rights
	South Korea	Hi-Caresolution Corp.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	South Korea	Hi Teleservice Co., Ltd.	100.0%	-	100.0%	-	December	Call center and telemarketing services	More than half of voting rights
	South Korea	LG Innotek Co., Ltd. ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	South Korea	Innowith Co., Ltd. ¹	40.8%	59.2%	40.8%	59.2%	December	Services	De-facto control
	South Korea	Hanuri Co., Ltd.	100.0%	-	100.0%	-	December	Business facility maintenance	More than half of voting rights
	South Korea	ZKW Lighting Systems Korea Co., Ltd.	70.0%	30.0%	70.0%	30.0%	December	R&D	More than half of voting rights
	South Korea	LG Magna e-Powertrain Co., Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	South Korea	HIEVCHARGER CO., LTD.	60.0%	40.0%	60.0%	40.0%	December	Manufacture of electric transformers	More than half of voting rights
China	China	LG Electronics (China) Co., Ltd (LGECH)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	China	LG Electronics (China) Research and Development Center Co., Ltd. (LGERD)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights

LG Electronics Inc. and its subsidiaries

Notes to the interim condensed consolidated financial statements

September 30, 2024 and 2023

Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	China	LG Electronics Air-Conditioning (Shandong) Co., Ltd. (LGEQA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	China	LG ELECTRONICS HK LIMITED(LGEHK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	China	LG Electronics (Huizhou) Inc. (LGEHZ)	80.0%	20.0%	80.0%	20.0%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics Nanjing New Technology Co., Ltd (LGENT)	70.0%	30.0%	70.0%	30.0%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics Nanjing Vehicle Components Co., Ltd. (LGENV)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	China	LG Electronics (Qinhuangdao) Co., Ltd (LGEQH)	100.0%	-	100.0%	-	December	Production of casting	More than half of voting rights
	China	LG Electronics (Shenyang) Inc (LGESY)	78.9%	21.1%	78.9%	21.1%	December	Production of electronic products	More than half of voting rights
	China	LG Electronics (Tianjin) Appliances Co., Ltd. (LGETA)	80.0%	20.0%	80.0%	20.0%	December	Production of electronic products	More than half of voting rights
	China	Nanjing LG Panda Appliances Co., Ltd (LGEPN)	70.0%	30.0%	70.0%	30.0%	December	Production of electronic products	More than half of voting rights
	China	Taizhou LG Electronics Refrigeration Co., Ltd. (LGETR)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	China	QINGGONGLIAN ELECTRICAL INSTALLATION ENGINEERING CO., LTD.	80.0%	20.0%	80.0%	20.0%	December	Installation and sales of air conditioners	More than half of voting rights
	China	LG Innotek Yantai Co., Ltd. (LGITYT) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic components	De-facto control
	China	LG Innotek Trading (Shanghai) Co., Ltd. (LGITSH) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic components	De-facto control
	China	ZKW Lighting Systems (Dalian) Co. Ltd.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights

LG Electronics Inc. and its subsidiaries

Notes to the interim condensed consolidated financial statements

September 30, 2024 and 2023

Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
Asia	China	LG Magna Nanjing e-Powertrain Vehicle Components Co., Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	Australia	LG ELECTRONICS AUSTRALIA PTY LIMITED(LGEAP)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	India	LG ELECTRONICS INDIA PRIVATE LIMITED(LGEIL) ⁴	100.0%	-	100.0%	-	March	Production and sales of electronic products	More than half of voting rights
	Japan	LG Japan Lab. Inc. (LGJL)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Japan	LG Electronics Japan, Inc. (LGEJP)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Malaysia	LG Electronics (M) Sdn. Bhd (LGEML)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Philippines	LG Electronics Philippines Inc. (LGEPPH)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Singapore	LG Electronics Singapore Pte.Ltd.(LGESL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Taiwan	LG Electronics Taiwan Taipei Co., Ltd. (LGETT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Thailand	LG Electronics (Thailand) Company Limited (LGETH)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	India	LG Soft India Private Limited. (LGSIL) ⁴	100.0%	-	100.0%	-	March	R&D	More than half of voting rights
	Indonesia	P.T. LG Electronics Indonesia (LGEIN)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Philippines	LG Electronics Pasig Inc. ³	38.0%	62.0%	38.0%	62.0%	December	Real estates	De-facto control
	Indonesia	PT. LG Innotek Indonesia (LGITIN) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic components	De-facto control
Taiwan	LG Innotek (Taiwan) Co., Ltd. (LGITTW) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic components	De-facto control	

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Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Vietnam	LG Innotek Vietnam Hai Phong Co., Ltd. (LGITVH) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic components	De-facto control
	Vietnam	LG Electronics Vietnam Hai Phong Co., Ltd. (LGEVH)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Indonesia	PT. LG Electronics Service Indonesia (LGEID)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Philippines	HI-M SOLUTEK PHILIPPINES INC.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Vietnam	HI-M SOLUTEK VIETNAM CO., LTD.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	India	Alphonso Labs Private Limited ⁴	55.4%	44.6%	55.5%	44.5%	March	R&D	More than half of voting rights
	Indonesia	PT LGE INDONESIA RESEARCH AND DEVELOPMENT CENTER (LGERC)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Japan	Cybellum Technologies Ltd.	72.8%	27.2%	69.1%	30.9%	December	Development and sales of automotive security solutions	More than half of voting rights
	Vietnam	LG Electronics Development Vietnam Company Limited (LGEDV)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	Indonesia	PT HI-M SOLUTEK INDONESIA	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	India	Hi-M.Solutek India Private Limited ⁴	100.0%	-	100.0%	-	March	Services	More than half of voting rights
Europe	Netherlands	LG Electronics Benelux Sales B.V.(LGEBN)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Germany	LG Electronics Deutschland GmbH (LGEDG)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Spain	LG Electronics Espana S.A.(LGEES)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Netherlands	LG Electronics European Holding B.V.(LGEEH)	100.0%	-	100.0%	-	December	European holding company	More than half of voting rights
	Netherlands	LG Electronics European Shared Service Center B.V.(LGESC)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	France	LG Electronics France S.A.S(LGEFS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Greece	LG ELECTRONICS HELLAS SINGLE MEMBER SA (LGEHS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Italy	LG Electronics Italia S.P.A.(LGEIS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Latvia	LG Electronics Latvia LTD(LGELA)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Hungary	LG Electronics Magyar K.F.T.(LGEMK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Mlawa Sp. z.O.O. (LGEMA)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	Sweden	LG Electronics Nordic AB(LGESW)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Polska Sp. Z.O.O.(LGEPL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Portugal	LG Electronics Portugal S.A.(LGEPT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UK	LG Electronics U.K. LTD(LGEUK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Poland	LG Electronics Wroclaw Sp. z.O.O. (LGEWR)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	Finland	LG Electronics Finland Lab Oy (LGEFL)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights

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Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Poland	LG Innotek Poland Sp. z.o. o. (LGITPO) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic materials	De-facto control
	Germany	LG Electronics Vehicle Components Europe GmbH (LGEVG)	100.0%	-	100.0%	-	December	Sales of vehicle components	More than half of voting rights
	Austria	ZKW Holding GmbH	70.0%	30.0%	70.0%	30.0%	December	Holding company	More than half of voting rights
	Austria	ZKW Group GmbH	70.0%	30.0%	70.0%	30.0%	December	Services	More than half of voting rights
	Austria	ZKW Lichtsysteme GmbH	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Austria	ZKW Austria Immobilien Holding GmbH	70.0%	30.0%	70.0%	30.0%	December	Holding company	More than half of voting rights
	Austria	ZKW Austria Immobilien GmbH	70.0%	30.0%	70.0%	30.0%	December	Real estates	More than half of voting rights
	Slovakia	ZKW Slovakia s.r.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Czech	KES - kabelove a elektricke systemy spol. s.r.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	Czech	ZKW Automotive Engineering CZ s.r.o.	70.0%	30.0%	70.0%	30.0%	December	R&D	More than half of voting rights
	Poland	KES Poland Sp.z o.o.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights

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Territory	Location	Subsidiary	September 30, 2024		December 31, 2023		Closing month	Major business	Basis of control
			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Poland	HI-M SOLUTEK POLAND Sp. z o.o.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Hungary	ACE R&A Hungary Limited Liability Company	100.0%	-	100.0%	-	December	Production and sales of air conditioning plants	More than half of voting rights
	UK	Alphonso UK Limited	55.4%	44.6%	55.5%	44.5%	December	Advertisement	More than half of voting rights
	Greece	Alphonso Hellas S.A.	55.4%	44.6%	55.5%	44.5%	December	Advertisement	More than half of voting rights
	Hungary	LG Magna e-Powertrain Hungary Ltd.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	Germany	HI-M SOLUTEK Germany GmbH	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Netherlands	Athom Holding B.V.	80.0%	20.0%	-	-	December	Development and sales of smart home solutions	More than half of voting rights
	Netherlands	Athom B.V.	80.0%	20.0%	-	-	December	Development and sales of smart home solutions	More than half of voting rights
North America	USA	LG Electronics Alabama Inc. (LGEAI)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Canada	LG Electronics Canada, Inc. (LGECI)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Mexico	LG Electronics Mexico S.A. DE C.V.(LGEMS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Mexico	LG Electronics Reynosa, S.A. De C.V.(LGERS)	100.0%	-	100.0%	-	December	Production of electronic products	More than half of voting rights
	USA	LG Electronics U.S.A., Inc. (LGEUS)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	USA	Zenith Electronics LLC(Zenith)	100.0%	-	100.0%	-	December	R&D	More than half of voting rights
	USA	LG Innotek USA, Inc. (LGITUS) ¹	40.8%	59.2%	40.8%	59.2%	December	Sales of electrical/electronic components	De-facto control

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Mexico	LG Innotek Mexico SA DE CV(LGITMX) ¹	40.8%	59.2%	40.8%	59.2%	December	Production and sales of electrical/electronic components	De-facto control
	USA	LG Electronics Vehicle Components U.S.A., LLC. (LGEVU)	100.0%	-	100.0%	-	December	Sales of vehicle components	More than half of voting rights
	USA	LGEUS Power, LLC	100.0%	-	100.0%	-	December	Investment of solar power plant	More than half of voting rights
	USA	LG Electronics Fund I LLC	100.0%	-	100.0%	-	December	Investment in technology start-ups	More than half of voting rights
	USA	LG Technology Ventures LLC	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	USA	LG Electronics New Jersey, LLC	100.0%	-	100.0%	-	December	Real estates	More than half of voting rights
	USA	ZKW Lighting Systems USA, Inc.	70.0%	30.0%	70.0%	30.0%	December	Sales of vehicle components	More than half of voting rights
	Mexico	ZKW Mexico Inmobiliaria, S.A. de C.V.	70.0%	30.0%	70.0%	30.0%	December	Real estates	More than half of voting rights
	Mexico	ZKW Mexico, S.A. de C.V.	70.0%	30.0%	70.0%	30.0%	December	Production and sales of vehicle components	More than half of voting rights
	USA	LG Magna e-Powertrain USA Inc.	51.0%	49.0%	51.0%	49.0%	December	Sales of vehicle components	More than half of voting rights
	USA	Alphonso Inc.	55.4%	44.6%	55.5%	44.5%	December	Advertisement	More than half of voting rights
	USA	LG Innotek Fund I LLC ¹	40.8%	59.2%	40.8%	59.2%	December	Investment in technology start-ups	De-facto control
	USA	Cybellum Technologies USA, Inc	72.8%	27.2%	69.1%	30.9%	December	Development and sales of automotive security solutions	More than half of voting rights
	USA	LG Electronics Fund II LLC	100.0%	-	100.0%	-	December	Investment in technology start-ups	More than half of voting rights
	Mexico	HI-M SOLUTEK MEXICO S DE RL DE CV.	100.0%	-	100.0%	-	December	Services	More than half of voting rights

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Mexico	LG Magna e-Powertrain Mexico S.A. DE C.V.	51.0%	49.0%	51.0%	49.0%	December	Production and sales of vehicle components	More than half of voting rights
	USA	ACE R&A US INC	100.0%	-	100.0%	-	December	Production and sales of air conditioning plants	More than half of voting rights
	USA	Overdrive Energy, Inc	75.0%	25.0%	75.0%	25.0%	December	Investment in technology start-ups	More than half of voting rights
	USA	Primefocus Health, Inc	54.0%	46.0%	75.0%	25.0%	December	Investment in technology start-ups	More than half of voting rights
	USA	Hi-M.SOLUTEK US INC	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	USA	Athom Inc.	80.0%	20.0%	-	-	December	Development and sales of smart home solutions	More than half of voting rights
South America	Argentina	LG Electronics Argentina S.A.(LGEAR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Colombia	LG Electronics Colombia Limitada (LGECL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Brazil	LG Electronics do Brasil Ltda.(LGEBR)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Brazil	Hi-M.Solutek Brazil Ltda.	100.0%	-	-	-	December	Services	More than half of voting rights
	Honduras	LG Electronics Honduras S.de R.L. ²	20.0%	80.0%	20.0%	80.0%	December	Sales of electronic products	De-facto control
	Chile	LG Electronics Inc Chile Limitada (LGECL)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Panama	LG Electronics Panama, S.A.(LGEPS)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Peru	LG Electronics Peru S.A.(LGEPR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Venezuela	LG Electronics Venezuela, S.A.(LGEVZ)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
Middle East and Africa	Panama	LG Consulting Corp.	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Guatemala	LG Electronics Guatemala, S.A.	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Angola	LG Electronics Angola Limitada (LGEAO)	100.0%	-	100.0%	-	December	Sales and services of electronic products	More than half of voting rights
	Jordan	LG Electronics Levant – Jordan (LGELF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Africa Logistics FZE(LGEAF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Algeria	LG Electronics Algeria SARL(LGEAS)	70.0%	30.0%	70.0%	30.0%	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Dubai FZE(LGEDF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Egypt	LG Electronics Egypt S.A.E(LGEEG)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	UAE	LG Electronics Gulf FZE(LGEGF)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Middle East Company FZCO (LGEME)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Morocco	LG Electronics Morocco S.A.R.L.(LGEMC)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Nigeria	LG Electronics Nigeria Limited (LGENI)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Tunisia	LGENAF Service Company SARL	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	LG Electronics Overseas Trading FZE(LGEOT)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
South Africa	LG Electronics S.A. (Pty) Ltd. (LGESA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights	

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			Percentage of ownership		Percentage of ownership				
			Controlling interest	Non-controlling interest	Controlling interest	Non-controlling interest			
	Türkiye	LG Electronics Ticaret A.S.(LGETK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Saudi Arabia	LG-Shaker Co.Ltd.(LGESR)	51.0%	49.0%	51.0%	49.0%	December	Production of electronic products	More than half of voting rights
	Saudi Arabia	LG Electronics Saudi Arabia LLC	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	UAE	HI M SOLUTEK HVAC SERVICE AND MAINTENANCE LLC	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Egypt	HI-M.SOLUTEK LLC	100.0%	-	100.0%	-	December	Services	More than half of voting rights
	Israel	Cybellum Technologies Ltd.	72.8%	27.2%	69.1%	30.9%	December	Development and sales of automotive security solutions	More than half of voting rights
	Saudi Arabia	LG Electronics Middle East & Africa Regional Headquarter (LGESQ)	100.0%	-	100.0%	-	December	Services	More than half of voting rights
Other	Kazakhstan	LG Electronics Almaty Kazakhstan Limited Liability Partnership (LGEAK)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights
	Russia	LG Electronics RUS, LLC(LGERA)	100.0%	-	100.0%	-	December	Production and sales of electronic products	More than half of voting rights
	Ukraine	LG Electronics Ukraine (LGEUR)	100.0%	-	100.0%	-	December	Sales of electronic products	More than half of voting rights

¹ Although the Group owns less than half of the voting rights of LG Innotek Co., Ltd., which is an intermediate parent company of its subsidiaries, the Group is deemed to have control over LG Innotek Co., Ltd. due to the size and dispersion of holdings of the other shareholders and their voting patterns at previous shareholders' meetings (See. Note 3.2).

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

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

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⁴ In the preparation of the consolidated financial statements, the financial statements for the nine-month period ended September 30, 2024 were used for those subsidiaries with different fiscal year ends.

(b) Financial information of major subsidiaries as of September 30, 2024 and December 31, 2023 and for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows (before elimination of intercompany transactions):

(in millions of Korean won)

Subsidiary	September 30, 2024			2024			
	Assets	Liabilities	Equity	Three-month		Nine-month	
				Sales	Profit (loss) for the period	Sales	Profit (loss) for the period
LG Innotek Co., Ltd.	10,444,916	6,634,903	3,810,013	5,598,202	80,045	14,294,186	107,877
LG Electronics U.S.A., Inc. (LGEUS)	6,008,151	4,088,850	1,919,301	3,846,899	135,613	10,863,994	465,423
LG Electronics European Shared Service Center B.V.(LGESC)	1,529,056	1,477,292	51,764	155,926	(2,097)	510,638	5,941
LG ELECTRONICS INDIA PRIVATE LIMITED(LGEIL)	1,666,447	880,678	785,769	986,359	92,275	3,073,321	290,557
LG Electronics Vietnam Hai Phong Co., Ltd (LGEVH)	2,140,988	1,055,945	1,085,043	1,389,553	24,514	4,263,447	155,530
LG Electronics Mlawa Sp. z.O.O. (LGEMA)	1,457,339	700,570	756,769	992,787	4,726	3,104,691	90,074
Zenith Electronics LLC(Zenith)	1,735,370	394,682	1,340,688	123,072	79,346	269,230	165,597
LG Electronics do Brasil Ltda. (LGEBR)	1,635,847	394,895	1,240,952	428,696	45,457	1,342,828	102,181
Hiplaza Co., Ltd.	1,071,023	877,327	193,696	554,591	6,146	1,666,102	1,573
LG Innotek Vietnam Hai Phong Co., Ltd.(LGITVH)	1,887,049	779,544	1,107,505	1,152,738	42,993	4,268,570	198,766
ZKW Lichtsysteme GmbH	1,021,632	577,727	443,905	198,840	3,399	622,253	12,902
LG Electronics (China) Co., Ltd (LGECH)	986,297	895,531	90,766	49,285	(4,566)	180,667	22,955
LG Electronics (Tianjin) Appliances Co., Ltd. (LGETA)	1,221,507	711,717	509,790	534,280	19,151	1,847,349	99,946
ZKW Group GmbH	1,594,472	1,203,924	390,548	44,277	(10,736)	136,599	(2,491)
Taizhou LG Electronics Refrigeration Co., Ltd. (LGETR)	824,952	610,063	214,889	414,952	16,680	1,212,948	20,631
LG Electronics Mexico S.A.DE C.V.(LGEMS)	537,411	366,083	171,328	372,945	(3,979)	1,220,013	20,959
LG Electronics (Thailand) Company Limited (LGETH)	623,034	375,809	247,225	360,242	(21,689)	1,361,205	22,110
P.T. LG Electronics Indonesia (LGEIN)	1,129,909	533,849	596,060	863,058	4,815	2,448,224	44,182
LG Electronics Nanjing New Technology co.,LTD(LGENT)	710,494	443,984	266,510	478,870	16,810	1,524,205	52,158
Nanjing LG Panda Appliances Co., Ltd (LGEPN)	661,678	468,284	193,394	320,418	3,848	970,273	39,485
LG Magna e-Powertrain Co., Ltd.	1,262,399	568,116	694,283	110,380	(56,545)	337,748	(106,516)

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(in millions of Korean won)

Subsidiary	September 30, 2024			2024			
	Assets	Liabilities	Equity	Three-month		Nine-month	
				Sales	Profit (loss) for the period	Sales	Profit (loss) for the period
LG Electronics Vehicle Components Europe GmbH (LGEVG)	1,240,499	1,140,597	99,902	1,040,290	(3,046)	2,913,209	(28,423)
LG Electronics Deutschland GmbH (LGEDG)	638,542	393,470	245,072	280,143	6,086	934,032	16,806

(in millions of Korean won)

Subsidiary	December 31, 2023			2023			
	Assets	Liabilities	Equity	Three-month		Nine-month	
				Sales ¹	Profit (loss) for the period	Sales	Profit (loss) for the period
LG Innotek Co., Ltd.	9,964,207	6,162,549	3,801,658	4,657,962	101,298	12,733,432	142,690
LG Electronics U.S.A., Inc. (LGEUS)	5,754,119	3,803,939	1,950,180	3,618,430	(43,381)	10,541,838	279,936
LG Electronics European Shared Service Center B.V.(LGESC)	1,440,444	1,396,400	44,044	159,091	(5,084)	568,173	2,930
LG ELECTRONICS INDIA PRIVATE LIMITED(LGEIL)	1,146,627	651,697	494,930	840,613	50,930	2,655,790	206,274
LG Electronics Vietnam Hai Phong Co., Ltd (LGEVH)	1,996,002	993,153	1,002,849	1,249,128	33,213	3,849,083	117,984
LG Electronics Mlawa Sp. z.O.O. (LGEMA)	1,358,792	658,445	700,347	853,408	9,933	2,659,416	101,193
Zenith Electronics LLC(Zenith)	1,734,558	324,269	1,410,289	56,850	25,840	192,392	95,055
LG Electronics do Brasil Ltda. (LGEBR)	1,665,466	413,251	1,252,215	418,488	(14,378)	1,186,697	68,754
Hiplaza Co., Ltd.	1,126,143	923,833	202,310	656,672	18,723	1,864,284	9,776
LG Innotek Vietnam Hai Phong Co.,Ltd.(LGITVH)	2,175,605	1,283,941	891,664	1,531,517	48,260	3,047,907	61,327
ZKW Lichtsysteme GmbH	934,433	450,478	483,955	197,073	7,897	632,009	18,189
LG Electronics (China) Co., Ltd (LGECH)	865,584	800,698	64,886	74,044	9,503	227,672	51,273
LG Electronics (Tianjin) Appliances Co., Ltd. (LGETA)	1,061,827	597,903	463,924	434,450	5,280	1,600,526	89,960
ZKW Group GmbH	1,520,505	1,140,886	379,619	33,730	9,742	110,676	15,436
Taizhou LG Electronics Refrigeration Co., Ltd. (LGETR)	707,039	521,057	185,982	348,006	13,635	988,584	40,062
LG Electronics Mexico S.A.DE C.V.(LGEMS)	597,534	422,982	174,552	424,060	(21,087)	1,132,784	21,547
LG Electronics (Thailand) Company Limited (LGETH)	576,365	329,419	246,946	342,523	20,647	1,242,074	46,091
P.T. LG Electronics Indonesia (LGEIN)	988,050	412,359	575,691	740,109	12,979	2,156,746	65,822

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<i>Subsidiary</i>	December 31, 2023			2023			
	Assets	Liabilities	Equity	Three-month		Nine-month	
				Sales ¹	Profit (loss) for the period	Sales	Profit (loss) for the period
LG Electronics Nanjing New Technology co., LTD(LGENT)	716,079	461,106	254,973	489,387	(2,409)	1,526,916	46,610
Nanjing LG Panda Appliances Co., Ltd (LGEPN)	589,208	406,157	183,051	269,717	8,439	832,690	34,755
LG Magna e-Powertrain Co., Ltd.	1,405,309	603,239	802,070	288,594	25,962	788,064	33,014
LG Electronics Vehicle Components Europe GmbH (LGEVG)	945,480	821,031	124,449	751,062	(9,837)	2,430,761	31,534
LG Electronics Deutschland GmbH (LGEDG)	573,321	352,506	220,815	257,733	14,305	888,248	19,897

¹The sales related to the discontinued operations were excluded.

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

- LG Innotek Co., Ltd. and its subsidiaries

i) Percentage of ownership held by non-controlling interests and accumulated non-controlling interests

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Percentage of ownership held by non-controlling interests	59.2%	59.2%
Accumulated non-controlling interests	3,354,976	2,877,933

ii) Profit (loss) and dividends attributable to non-controlling interests for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three-month	Nine-month	Three-month	Nine-month
Profit (loss) for the period attributable to non-controlling interests	67,825	218,663	80,668	140,649
Dividends attributable to non-controlling interests	-	36,570	-	58,147

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iii) Summarized consolidated statements of financial position of subsidiaries with material non-controlling interests are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Current assets	6,359,960	5,349,009
Non-current assets	5,482,760	5,855,297
Total assets	11,842,720	11,204,306
Current liabilities	4,497,553	4,219,145
Non-current liabilities	2,358,962	2,270,586
Total liabilities	6,856,515	6,489,731
Equity attributable to the owners of LG Innotek Co., Ltd.	4,986,205	4,714,575
Non-controlling interests	-	-
Total equity	4,986,205	4,714,575

iv) Summarized consolidated statements of comprehensive income of subsidiaries with material non-controlling interests for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	2024		2023	
	Three-month	Nine-month	Three-month	Nine-month
Net sales	5,685,059	14,573,906	4,763,581	13,046,652
Profit (loss) for the period	104,999	342,352	129,098	214,447
Other comprehensive income, net of tax	(93,431)	(8,958)	36,498	60,966
Total comprehensive income (loss), net of tax	11,568	333,394	165,596	275,413

v) Summarized consolidated statements of cash flows of subsidiaries with material non-controlling interests for each of the nine-month periods ended September 30, 2024 and 2023 are as follows (before elimination of intercompany transactions):

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Cash flows from operating activities	47,462	988,319
Cash flows from investing activities	(798,295)	(1,455,232)
Cash flows from financing activities	183,759	708,245
Effects of exchange rate changes on cash and cash equivalents	(1,531)	9,629
Net increase (decrease) in cash and cash equivalents	(568,605)	250,961
Cash and cash equivalents at the beginning of the period	1,389,647	577,908
Cash and cash equivalents at the end of the period	821,042	828,869

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(d) Significant restrictions on subsidiaries

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

Cash and other short-term financial instruments held by subsidiaries in Egypt, Algeria, Russia and Kazakhstan are subject to exchange control regulations of each relevant country. Accordingly, there are transfer limits on their cash and other short-term financial instruments from these countries.

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

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

i) During the nine-month period ended September 30, 2024, non-controlling interests increased by ₩181 million due to the effect of changes in the percentage of ownership resulting from the stock options exercised and the tender offer agreement for non-controlling interests in relation to Cybellum Technologies USA, Inc.

ii) During the nine-month period ended September 30, 2024, non-controlling interests decreased by ₩666 million due to the effect of changes in the percentage of ownership resulting from the stock options exercised and the tender offer agreement for non-controlling interests in relation to Alphonso Inc.

(f) Subsidiaries newly included in the scope of preparation of the interim condensed consolidated financial statements for the nine-month period ended September 30, 2024 are as follows:

Subsidiary	Reason	Location	Controlling interest	Closing month	Major business
Athom Holding B.V.	Acquisition of shares	Netherlands	80.0%	December	Development and sales of smart home solutions
Athom B.V.	Acquisition of shares	Netherlands	80.0%	December	Development and sales of smart home solutions
Athom Inc.	Acquisition of shares	USA	80.0%	December	Development and sales of smart home solutions
Hi-M.Solutek Brazil Ltda.	Newly established	Brazil	100.0%	December	Services

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

The Group did not recognize any gain or loss from the loss of control for the nine-month period ended September 30, 2024.

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2. Material Accounting Policies

2.1 Basis of Preparation

The Group maintains its accounting records in Korean won (presented as “Korean won” or “W”) and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (KIFRS). The accompanying interim condensed consolidated financial statements have been condensed, restructured and translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor’s review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The Group’s interim condensed consolidated financial statements for the nine-month period ended September 30, 2024 have been prepared in accordance with KIFRS 1034 *Interim Financial Reporting*. These interim condensed consolidated financial statements have been prepared in accordance with KIFRS which is effective or early adopted as of September 30, 2024.

2.1.1 Changes in Accounting Policies and Disclosures

(a) New and amended standards and interpretations effective for the financial year beginning on or after January 1, 2024

- *Classification of Liabilities as Current or Non-current, non-current liabilities with agreements – Amendments to KIFRS 1001 Presentation of Financial Statements*

The amendments clarify that liabilities are classified as either current or non-current, depending on the substantive rights that exist at the end of the reporting period. Classification is unaffected by the likelihood that an entity will exercise right to defer settlement of the liability or the expectations of management. Also, the settlement of liability includes the transfer of the entity’s own equity instruments, however, it would be excluded if an option to settle them by the entity’s own equity instruments of compound financial instruments is met the definition of equity instruments and recognized separately from the liability. In addition, covenants that an entity is required to comply with after the end of the reporting period would not affect classification of a liability as current or non-current at the reporting date. When an entity classifies a liability that is subject to the covenants which an entity is required to comply with within twelve months of the reporting date as non-current at the end of the reporting period, the entity shall disclose information in the notes to understand the risk that non-current liabilities with covenants could become repayable within twelve months after the reporting period. The amendments do not have a material impact on the interim condensed consolidated financial statements of the Group.

- *Supplier Finance Arrangements - Amendments to KIFRS 1007 Statement of Cash Flows and KIFRS 1107 Financial instruments: Disclosures*

The amendments to KIFRS 1007 and KIFRS 1107 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact

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on the Group's interim condensed consolidated financial statements.

- Lease Liability in a Sale and Leaseback - Amendments to KIFRS 1116 Leases

The amendments to KIFRS 1116 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments do not have a material impact on the interim condensed consolidated financial statements of the Group.

(b) New, enacted and amended standards issued, but not effective as of September 30, 2024, and not early adopted by the Group.

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

The amendments require disclosure of information that enables users of financial statements to understand the risk and impact of a currency not being exchangeable. The amendments apply to annual reporting periods beginning on or after January 1, 2025. The Group does not expect that these amendments will have a material impact on the Group's interim condensed consolidated financial statements.

2.2 Application of Accounting Policies

The material accounting policies and method of computation used in the preparation of the interim condensed consolidated financial statements are consistent with those of the consolidated financial statements for the year ended December 31, 2023, except for the changes due to the application of amendment and enactments of standards described in Note 2.1.1 and the ones described below.

2.2.1 Income Tax Expense

Income tax expense for the interim period is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate is applied to the pre-tax income for the period. The Group is subject to Pillar Two income tax for the current period. The income tax related to this was additionally recognized, and exceptions were applied to the recognition and disclosure of deferred income tax.

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3. Material Accounting Estimates and Judgements

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

3.1 Material Accounting Estimates and Assumptions

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

The Russia - Ukraine armed conflict and continuous international sanctions on Russia have a material impact on the global economy. It may have a negative impact; such as, decrease in productivity, decrease or delay in sales, collection of existing receivables and others. Accordingly, it may have a negative impact on the financial position and financial performance of the Group, and the impact is expected to be continued to the annual consolidated financial statements in 2024.

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

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

(a) Revenue Recognition

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

(b) Impairment of Goodwill

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

(c) Income Taxes

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

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(d) Fair Value of Financial Instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of the reporting period.

(e) Provisions

The Group recognizes provisions for product warranties and others based on their historical data at the end of the reporting period.

(f) Net Defined Benefit Liabilities

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

(g) Development Costs

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

(h) Leases

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

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

3.2 Material Judgment on Accounting Policies Adopted by the Group

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

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4. Segment Information

The segments of the Group are strategic business divisions providing different products and services. They are reported separately because each business division requires different technologies and marketing strategies. As of September 30, 2024, the main products of each business division are as follows, and the comparative information is presented in conformity with the same classification in the current period.

Operating segment	Type of products
Home Appliance & Air Solution (H&A)	Refrigerators, washing machines, air conditioners, vacuum cleaners and others
Home Entertainment (HE)	TVs, audio and others
Vehicle component Solutions (VS)	Vehicle components and others
Business Solutions (BS)	Monitors, PCs, information displays and others
LG Innotek Co., Ltd. and its subsidiaries (Innotek)	Camera modules, substrate & material, motor/sensor and others
Other	Equipment production and others

(a) The segment information about sales and operating profit (loss) for each of the three-month and nine-month periods ended September 30, 2024 and 2023 is as follows:

<i>(in millions of Korean won)</i>	Three-month period ended September 30, 2024						
	H&A	HE	VS	BS	Innotek	Other ¹	Total
Sales	8,337,641	3,747,302	2,611,300	1,398,897	5,685,059	396,171	22,176,370
External sales	8,321,916	3,746,001	2,611,300	1,395,498	5,535,630	566,025	22,176,370
Internal sales	15,725	1,301	-	3,399	149,429	(169,854)	-
Operating profit (loss) ²	527,225	49,402	1,093	(76,903)	130,431	120,632	751,880
Depreciation and amortization	273,477	80,410	172,777	35,892	327,562	48,672	938,790

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024						
	H&A	HE	VS	BS	Innotek	Other ¹	Total
Sales	25,787,992	10,857,497	7,965,143	4,438,798	14,573,906	1,343,371	64,966,707
External sales	25,751,044	10,855,131	7,965,143	4,429,900	14,137,591	1,827,898	64,966,707
Internal sales	36,948	2,366	-	8,898	436,315	(484,527)	-
Operating profit (loss) ²	2,161,946	278,641	135,742	(70,047)	458,153	319,909	3,284,344
Depreciation and amortization	753,403	224,351	450,722	102,346	966,903	136,644	2,634,369

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

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

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Three-month period ended September 30, 2023							
<i>(in millions of Korean won)</i>	H&A	HE	VS	BS	Innotek	Other ¹	Total
Sales	7,463,797	3,562,154	2,503,546	1,330,918	4,763,581	413,857	20,037,853
External sales	7,449,709	3,561,658	2,503,546	1,328,444	4,610,110	584,386	20,037,853
Internal sales	14,088	496	-	2,474	153,471	(170,529)	-
Operating profit (loss) ²	499,513	115,714	88,640	(20,547)	183,431	83,298	950,049
Depreciation and amortization	237,182	84,983	134,971	33,045	250,809	49,654	790,644

Nine-month period ended September 30, 2023							
<i>(in millions of Korean won)</i>	H&A	HE	VS	BS	Innotek	Other ¹	Total
Sales	23,486,141	10,053,384	7,554,500	4,143,221	13,046,652	1,245,185	59,529,083
External sales	23,448,490	10,050,050	7,554,500	4,137,210	12,628,903	1,709,930	59,529,083
Internal sales	37,651	3,334	-	6,011	417,749	(464,745)	-
Operating profit (loss) ²	2,112,002	445,979	236,811	47,793	347,135	151,053	3,340,773
Depreciation and amortization	703,183	260,615	412,509	96,184	718,546	148,222	2,339,259

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

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

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(b) Segment assets and liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
H&A	30,640,312	15,050,201	27,581,665	13,509,146
HE	15,540,112	10,937,941	14,206,186	9,767,084
VS	10,132,551	10,787,747	9,321,514	9,912,497
BS	5,766,761	4,484,226	5,339,239	4,009,534
Innotek	11,842,720	6,856,515	11,204,306	6,489,731
Subtotal¹	73,922,456	48,116,630	67,652,910	43,687,992
Other segments and inter-company transactions	(9,600,538)	(8,214,036)	(7,412,117)	(6,945,735)
Total	64,321,918	39,902,594	60,240,793	36,742,257

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

(c) Non-current assets by geographic area as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	Non-current assets ¹	
	September 30, 2024	December 31, 2023
Geographic areas		
The Republic of Korea	13,315,240	13,361,340
Americas	2,293,158	2,192,785
Europe	1,155,176	1,060,434
Asia, Africa and others	3,076,101	3,166,218
Total	19,839,675	19,780,777

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

(d) A single external customer who contributes more than 10% of the Group's total sales for the nine-month period ended September 30, 2024 is the customer of Innotek segment and others, whose revenue amounts to ₩11,555,539 million (September 30, 2023: ₩9,908,812 million).

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5. Financial Instruments by Category

(a) Categorizations of financial instruments as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024				
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other	Total
Cash and cash equivalents	7,692,326	-	-	-	7,692,326
Deposits held by financial institutions	237,113	-	-	-	237,113
Trade receivables	8,222,872	2,751,784	-	1,505,923	12,480,579
Other receivables	2,542,634	-	-	-	2,542,634
Other financial assets and others	-	156,048	189,374	168,025	513,447
Total	18,694,945	2,907,832	189,374	1,673,948	23,466,099

<i>(in millions of Korean won)</i>	September 30, 2024			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other	Total
Trade payables	10,652,905	-	-	10,652,905
Borrowings	14,190,737	-	-	14,190,737
Lease liabilities	-	-	1,148,512	1,148,512
Other payables	4,671,025	-	-	4,671,025
Other financial liabilities	-	13,643	72,513	86,156
Total	29,514,667	13,643	1,221,025	30,749,335

<i>(in millions of Korean won)</i>	December 31, 2023				
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other	Total
Cash and cash equivalents	8,487,563	-	-	-	8,487,563
Deposits held by financial institutions	221,575	-	-	-	221,575
Trade receivables	7,012,256	2,265,310	-	626,895	9,904,461
Other receivables	2,375,430	-	-	-	2,375,430
Other financial assets and others	-	117,872	206,014	178,240	502,126
Total	18,096,824	2,383,182	206,014	805,135	21,491,155

<i>(in millions of Korean won)</i>	December 31, 2023			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other	Total
Trade payables	9,427,288	-	-	9,427,288
Borrowings	13,320,811	-	-	13,320,811
Lease liabilities	-	-	1,193,023	1,193,023
Other payables	4,836,694	-	-	4,836,694
Other financial liabilities	-	18,162	43,884	62,046
Total	27,584,793	18,162	1,236,907	28,839,862

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(b) Net gains or losses on each category of financial instruments for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024				
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other	Total
Interest income	384,078	-	-	-	384,078
Exchange differences	224,757	18,688	-	-	243,445
Bad debt expenses	(28,097)	-	-	(5,274)	(33,371)
Gain (loss) on disposal of trade receivables	(1,404)	(32,940)	-	-	(34,344)
Dividend income	-	391	347	-	738
Gain (loss) on valuation of financial assets at fair value through profit or loss	-	-	3,276	-	3,276
Gain (loss) on derivatives (through profit or loss)	-	-	57,532	-	57,532
Profit (loss) for the periods from discontinued operations	2,244	-	-	-	2,244
Fair value gain (loss), net of tax (through other comprehensive income)	-	18,024	-	-	18,024
Gain (loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	(12,812)	(12,812)

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other	Total
Interest expense	(441,064)	-	13,770	(427,294)
Exchange differences	(310,418)	-	(37,432)	(347,850)
Gain (loss) on derivatives (through profit or loss)	-	(25,450)	-	(25,450)
Profit (loss) for the periods from discontinued operations	(32,775)	-	-	(32,775)
Gain (loss) on derivatives, net of tax (through other comprehensive income)	-	-	(885)	(885)
Others	(2,209)	-	-	(2,209)

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<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2023				
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Other	Total
Interest income	306,978	-	-	-	306,978
Exchange differences	576,864	63,951	-	-	640,815
Bad debts expense	(13,080)	-	-	-	(13,080)
Gain (loss) on disposal of trade receivables	(632)	(36,842)	-	-	(37,474)
Dividend income	-	289	969	-	1,258
Gain (loss) on valuation of financial assets at fair value through profit or loss	-	-	(741)	-	(741)
Gain (loss) on derivatives (through profit or loss)	-	-	26,189	-	26,189
Profit (loss) for the period from discontinued operations	1,862	-	-	-	1,862
Fair value gain(loss), net of tax (through other comprehensive income)	-	3,828	-	-	3,828
Gain (loss) on derivatives, net of tax (through other comprehensive income)	-	-	-	4,044	4,044

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2023			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other	Total
Interest expense	(389,255)	-	11,212	(378,043)
Exchange differences	(662,262)	-	80,687	(581,575)
Gain (loss) on derivatives (through profit or loss)	-	(39,209)	-	(39,209)
Profit (loss) for the period from discontinued operations	(36,095)	-	-	(36,095)
Gain (loss) on derivatives, net of tax (through other comprehensive income)	-	-	(6,852)	(6,852)
Others	(2,535)	-	-	(2,535)

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6. Trade Receivables and Other Receivables

(a) Trade receivables and other receivables, net of allowance for doubtful accounts, as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024			December 31, 2023		
	Original amount	Allowance for doubtful accounts	Carrying amount	Original amount	Allowance for doubtful accounts	Carrying amount
Trade receivables						
Current	11,185,090	(108,310)	11,076,780	9,366,948	(101,926)	9,265,022
Non-current	1,406,279	(2,480)	1,403,799	640,936	(1,497)	639,439
Other receivables						
Current	1,265,232	(6,517)	1,258,715	602,781	(6,988)	595,793
Non-current	1,284,011	(92)	1,283,919	1,779,720	(83)	1,779,637

(b) Changes in allowance for doubtful accounts for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024				
	January 1	Addition (Reversal)	Write-off	Other	September 30
Trade receivables					
Current	101,926	33,237	(31,044)	4,191	108,310
Non-current	1,497	994	(11)	-	2,480
Other receivables					
Current	6,988	(1,114)	9	634	6,517
Non-current	83	(21)	-	30	92

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2023				
	January 1	Addition (Reversal)	Write-off	Other	September 30
Trade receivables	87,922	14,076	(8,622)	12,923	106,299
Other receivables					
Current	10,287	(974)	(46)	(73)	9,194
Non-current	83	13	-	6	102

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(c) The aging analysis of trade receivables and other receivables as of September 30, 2024 and December 31, 2023 is as follows:

<i>(in millions of Korean won)</i>	September 30, 2024				
	Trade receivables		Other receivables		Total
	Current	Non-current	Current	Non-current	
Receivables not past due	9,939,962	1,406,279	1,159,146	1,284,011	13,789,398
Past due but not impaired					
Up to 6 months	973,167	-	67,413	-	1,040,580
7 to 12 months	41,073	-	21,259	-	62,332
Over 1 year	68,063	-	11,038	-	79,101
Subtotal	1,082,303	-	99,710	-	1,182,013
Impaired	162,825	-	6,376	-	169,201
Total	11,185,090	1,406,279	1,265,232	1,284,011	15,140,612

<i>(in millions of Korean won)</i>	December 31, 2023				
	Trade receivables		Other receivables		Total
	Current	Non-current	Current	Non-current	
Receivables not past due	7,871,059	640,936	504,987	1,779,720	10,796,702
Past due but not impaired					
Up to 6 months	1,088,174	-	65,314	-	1,153,488
7 to 12 months	65,336	-	14,494	-	79,830
Over 1 year	98,544	-	9,435	-	107,979
Subtotal	1,252,054	-	89,243	-	1,341,297
Impaired	243,835	-	8,551	-	252,386
Total	9,366,948	640,936	602,781	1,779,720	12,390,385

(d) Some of trade receivables have been discounted through collateralized borrowing agreements with banks for the nine-month period ended September 30, 2024. In case of the customers' default, the Group has an obligation to pay the amounts related thereto to the banks. As a result, this transaction has been accounted for as a collateralized borrowing (see Note 12). Discounted trade receivables recognized as of September 30, 2024 amount to ₩65,582 million (December 31, 2023: ₩60,269 million).

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7. Other Financial Assets and Liabilities

(a) Details of other financial assets and liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Other financial assets		
Derivatives	201,127	185,437
Financial assets at fair value through other comprehensive income	156,048	117,872
Financial assets at fair value through profit or loss	141,570	184,115
Total	498,745	487,424
Current	56,614	102,054
Non-current	442,131	385,370
<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Other financial liabilities		
Derivatives	86,145	61,931
Financial guarantee liabilities	11	115
Total	86,156	62,046
Current	4,235	9,292
Non-current	81,921	52,754

(b) Details of derivatives as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current				
Currency forward	6,577	3,292	2,070	2,567
Currency swap	25,190	-	23,118	6,610
Interest rate swap	-	-	2,116	-
Option	22,590	932	-	-
Subtotal	54,357	4,224	27,304	9,177
Non-current				
Currency swap	129,747	54,063	133,597	30,515
Interest rate swap	11,667	18,439	21,451	13,254
Option	3,157	1,525	3,085	2,457
Embedded derivatives Contract	2,199	7,894	-	6,528
Subtotal	146,770	81,921	158,133	52,754
Total	201,127	86,145	185,437	61,931

Details of major derivative contracts at the end of the reporting period are presented in Note 30.

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(c) Changes in carrying amount of financial assets at fair value through other comprehensive income for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

Nine-month period ended September 30, 2024							
<i>(in millions of Korean won)</i>	January 1	Acquisition	Disposals	Transfer	Valuation	Other	September 30
Marketable equity securities	30,668	-	(896)	30	24,138	434	54,374
Unmarketable equity securities	87,204	13,691	-	(30)	-	809	101,674
Total	117,872	13,691	(896)	-	24,138	1,243	156,048

Nine-month period ended September 30, 2023							
<i>(in millions of Korean won)</i>	January 1	Acquisition	Disposals	Transfer	Valuation	Other	September 30
Marketable equity securities	29,425	-	(4,582)	-	3,979	(73)	28,749
Unmarketable equity securities	89,501	18,013	(1,667)	-	834	749	107,430
Total	118,926	18,013	(6,249)	-	4,813	676	136,179

(d) Changes in carrying amount of financial assets at fair value through profit or loss for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

Nine-month period ended September 30, 2024							
<i>(in millions of Korean won)</i>	January 1	Acquisition	Disposals	Transfer	Valuation	Other	September 30
Unmarketable equity securities	108,232	32,874	(3,021)	500	(1,454)	384	137,515
Marketable debt securities	74,750	35,035	(118,543)	-	4,730	6,285	2,257
Unmarketable debt securities	1,133	1,165	-	(500)	-	-	1,798
Total	184,115	69,074	(121,564)	-	3,276	6,669	141,570

Nine-month period ended September 30, 2023							
<i>(in millions of Korean won)</i>	January 1	Acquisition	Disposals	Transfer	Valuation	Other	September 30
Unmarketable equity securities	105,011	15,239	(3,822)	(2,082)	(1,176)	695	113,865
Marketable debt securities	362	125,486	(52,917)	82	435	49	73,497
Unmarketable debt securities	633	500	-	-	-	-	1,133
Total	106,006	141,225	(56,739)	(2,000)	(741)	744	188,495

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8. Inventories

Inventories as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024			December 31, 2023		
	Cost	Valuation allowance	Carrying amount	Cost	Valuation allowance	Carrying amount
Finished products and merchandise	6,862,661	(160,454)	6,702,207	5,381,164	(173,428)	5,207,736
Work-in-process	836,566	(25,614)	810,952	682,107	(27,316)	654,791
Raw materials and supplies	3,392,004	(204,760)	3,187,244	3,167,187	(179,490)	2,987,697
Other	353,072	(37,585)	315,487	342,469	(67,289)	275,180
Total	11,444,303	(428,413)	11,015,890	9,572,927	(447,523)	9,125,404

9. Contract Assets and Contract Liabilities

(a) Contract assets as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Due from customers	1,047,359	842,113
(Less: allowance for doubtful accounts)	(3,287)	(3,786)
Right to recover returned products	95,484	98,111
Costs to fulfill contracts and others	632,069	619,239
Total	1,771,625	1,555,677
Current	1,340,295	1,129,399
Non-current	431,330	426,278

(b) Contract liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Expected promotional incentives for customers	888,147	870,426
Expected returns from customers	262,381	213,712
Customer loyalty program	120,743	100,951
Rendering of warranty services	198,305	150,670
Due to customers and others	858,314	625,743
Total	2,327,890	1,961,502
Current	2,234,439	1,898,005
Non-current	93,451	63,497

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(c) Revenue recognized in relation to contract liabilities for each of the nine-month periods ended September 30, 2024 and 2023 is as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Revenue recognized that was included in the contract liability amount at the beginning of the period		
Due to customers and others	313,663	210,472
Customer loyalty program	66,755	67,714
Rendering of warranty services	48,339	40,260
Total	428,757	318,446
Revenue recognized from performance obligations satisfied in previous periods	55,447	21,304

(d) Unsatisfied long-term contracts

The total amount of transaction price allocated to the unsatisfied or partially unsatisfied performance obligations as of September 30, 2024 is ₩ 1,445,464 million (December 31, 2023: ₩ 1,297,935 million), which is expected to be satisfied by no later than 2031. Also, as a practical expedient, the Group excluded performance obligations that are part of contracts within an initial expected duration of one year or less.

(e) For the nine-month period ended September 30, 2024, the Group recognized a reversal of impairment loss amounting to ₩ 495 million (September 30, 2023: reversal of impairment loss of ₩ 74 million) in relation to due from customers, and amortization and other costs of ₩ 173,694 million (September 30, 2023: ₩ 127,783 million) in relation to costs to fulfill contracts.

10. Property, Plant and Equipment, and Intangible Assets

(a) Changes in property, plant and equipment for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	16,818,629	15,831,838
Acquisitions	1,889,658	2,693,199
Acquisitions by business combinations	186	-
Reclassification from assets held for sale	209	-
Reclassification to assets held for sale	-	(107)
Transfer	-	(58)
Disposals and others	(44,809)	(47,547)
Depreciation	(2,224,804)	(1,963,450)
Impairment losses ¹	(27,371)	(25,613)
Exchange differences	51,000	261,216
September 30	16,462,698	16,749,478

¹ For the nine-month period ended September 30, 2024, impairment loss on property, plant, and equipment from discontinued operations of battery pack business amounting to ₩ 818 million (September 30, 2023: nil) is included.

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(b) Line items included in depreciation for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Continuing operations		
Cost of sales	1,733,222	1,484,406
Selling expenses	208,355	211,610
Administrative expenses	156,247	137,902
Research and development expenses	94,680	88,299
Service costs	32,860	26,726
Other non-operating expenses	563	14,446
Subtotal	2,225,927	1,963,389
Discontinued operations	(1,123)	61
Total	2,224,804	1,963,450

(c) Changes in right-of-use assets included in property, plant and equipment for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	1,291,295	1,207,052
Acquisitions	251,968	297,518
Disposals and others	(16,572)	(17,398)
Depreciation	(315,677)	(296,961)
Exchange differences	9,389	31,064
September 30	1,220,403	1,221,275

The amount recognized as lease income in relation to sublease of the above right-of-use assets for the nine-month period ended September 30, 2024 is ₩ 3,312 million (September 30, 2023: ₩ 4,545 million).

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(d) Changes in intangible assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	2,867,687	2,454,830
Acquisitions	417,319	349,329
Acquisitions by business combinations	82,449	-
Acquisitions by internal development	376,555	299,594
Transfer	-	(111)
Disposals and others	(50,365)	(51,429)
Amortization	(405,196)	(387,456)
Impairment losses ¹	(11,644)	(3,649)
Exchange differences	6,252	24,812
September 30	3,283,057	2,685,920

¹ For the nine-month period ended September 30, 2024, impairment loss on intangible assets from discontinued operations of battery pack business amounting to ₩ 120 million (September 30, 2023: nil) is included.

(e) Line items including amortization of intangible assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Continuing operations		
Cost of sales	282,290	274,558
Selling expenses	17,997	15,730
Administrative expenses	43,423	41,983
Research and development expenses	55,392	50,809
Service costs	6,056	3,348
Other non-operating expenses	21	42
Subtotal	405,179	386,470
Discontinued operations	17	986
Total	405,196	387,456

11. Investments in Associates and Joint Ventures

(a) Investments in associates and joint ventures

i) Carrying amounts of investments in associates and joint ventures as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Associates	2,835,937	2,946,619
Joint ventures	62,655	57,845
Total	2,898,592	3,004,464

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ii) Investments in associates as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024				December 31, 2023			
	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount
LG Display Co., Ltd. ³	1,115,249	2,562,449	(83,939)	2,478,510	679,218	2,741,257	(91,846)	2,649,411
Ericsson-LG Co., Ltd.	12,649	58,504	-	58,504	12,649	67,327	-	67,327
Hitachi-LG Data Storage Inc. (HLDS)	101,961	63,985	(957)	63,028	101,961	65,570	(900)	64,670
CCP-LGE OWNER, LLC ¹	11,652	9,200	-	9,200	11,652	9,476	-	9,476
ROBOTIS Co., Ltd. ¹	9,000	7,982	-	7,982	9,000	8,604	-	8,604
Acryl Inc. ¹	2,000	1,569	-	1,569	2,000	873	-	873
Robostar Co., Ltd.	88,112	79,220	(1,680)	77,540	88,112	79,136	(2,148)	76,988
AiM Future, Inc. ¹	800	563	-	563	800	1,106	-	1,106
Mirae Asset-LG Electronics New Growth Fund I ³	36,552	33,854	-	33,854	28,023	27,207	-	27,207
Rinse, Inc. ¹	18,184	13,699	-	13,699	18,184	14,950	-	14,950
SideChef Group Limited	7,702	-	-	7,702	7,702	-	-	7,702
TheWaveTalk Co., Ltd.	2,000	-	-	2,000	2,000	-	-	2,000
GOQUAL Inc.	5,000	-	-	5,000	5,000	-	-	5,000
NOVA Prime Fund I, LP ^{1,3}	15,486	13,981	-	13,981	11,305	11,305	-	11,305
BEAR ROBOTICS, INC. ^{1,2}	56,076	51,690	-	51,690	-	-	-	-
Mo-Sys Holding Ltd. ^{1,2}	11,458	11,115	-	11,115	-	-	-	-
Total	1,493,881	2,907,811	(86,576)	2,835,937	977,606	3,026,811	(94,894)	2,946,619

¹ The financial statements as of August 31, 2024 were used due to a different closing date.

² The entities were newly acquired during the nine-month period ended September 30, 2024.

³ Shares in the entities were additionally acquired during the nine-month period ended September 30, 2024.

iii) Investments in joint ventures as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024				December 31, 2023			
	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount	Acquisition cost	Net asset amount	Unrealized gain	Carrying amount
Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	14,718	35,890	(540)	35,350	14,718	26,989	(162)	26,827
EIC PROPERTIES PTE LTD.	9,636	20,525	-	20,525	9,636	19,313	-	19,313
LG-MRI LLC ²	-	-	-	-	516	1,222	-	1,222
Neolite ZKW Lightings PVT Ltd.	-	-	-	-	-	-	-	-
LG-LHT Aircraft Solutions GmbH ³	52,120	3,161	-	3,161	46,790	5,080	-	5,080
LG-LHT Passenger Solutions GmbH ³	51,986	890	-	890	46,656	2,895	-	2,895
GUANGDONG SMART LIFE TECHNOLOGY CO., LTD. ¹	1,855	2,456	-	2,456	1,855	2,207	-	2,207
Alluto LLC	2,095	273	-	273	2,095	301	-	301
FITNESSCANDY Co., Ltd. ²	-	-	-	-	5,610	-	-	-
Total	132,410	63,195	(540)	62,655	127,876	58,007	(162)	57,845

¹ The financial statements as of August 31, 2024 were used due to a different closing date.

² Liquidation was completed during the nine-month period ended September 30, 2024.

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³ Shares in the entities were additionally acquired during the nine-month period ended September 30, 2024.

(b) Associates and joint ventures

i) Associates as of September 30, 2024 are as follows:

Name of associate	Location	Closing month	Percentage of ownership (%)	Nature of relationships with the associates
LG Display Co., Ltd.	South Korea	December	36.7	Production and supply of display products
Ericsson-LG Co., Ltd.	South Korea	December	25.0	Supply of communication devices and network solution products
Hitachi-LG Data Storage Inc.(HLDS)	Japan	December	49.0	Production and supply of data storages
CCP-LGE OWNER, LLC ¹	USA	December	71.0	Solar power plant business
ROBOTIS Co., Ltd. ²	South Korea	December	7.3	Production and sales of personal robot
Acryl Inc. ²	South Korea	December	12.1	Development and sales of software
Robostar Co., Ltd.	South Korea	December	33.4	Production and sales of industrial robot
AiM Future, Inc. ²	South Korea	December	11.7	Provision of artificial intelligence solutions
Mirae Asset-LG Electronics New Growth Fund I	South Korea	December	50.0	Investment in technology start-ups
Rinse, Inc.	USA	December	23.3	Laundry service
SideChef Group Limited ²	Hong Kong	December	17.0	Provision of smart kitchen content service
TheWaveTalk Co., Ltd. ²	South Korea	December	3.7	Provision of joint development of microbial sensors
GOQUAL Inc. ²	South Korea	December	7.2	Supply of communication Devices and network solution products
NOVA Prime Fund I, LP ¹	USA	December	88.0	Investment in technology start-ups
BEAR ROBOTICS, INC.	USA	December	24.9	Production and sales of commercial robot
Mo-Sys Holding Ltd. ²	UK	December	11.9	Provision of virtual production (VP) goods and solutions

¹ The Group's percentage of ownership of the entity is more than 50% but the Group does not have control over the entity in accordance with the shareholders' agreement. Accordingly, the entity is classified as an associate.

² The Group's percentage of ownership of the entity is less than 20% but the Group can exercise a significant influence in the entity's Board of Directors. Accordingly, the entity is classified as an associate.

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ii) Joint ventures as of September 30, 2024 are as follows:

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

Name of joint venture	Location	Closing month	Percentage of ownership (%)	Nature of relationships with the Group
Arcelik-LG Klima Sanayi ve Ticarta A.S.(LGEAT)	Türkiye	December	50.0	Production and supply of air conditioning products
EIC PROPERTIES PTE LTD.	Singapore	December	38.2	Real estate rentals
Neolite ZKW Lightings PVT Ltd.	India	March	26.0	Production and sales of vehicle components
LG-LHT Aircraft Solutions GmbH	Germany	December	49.0	Production and sales of aircraft components
LG-LHT Passenger Solutions GmbH	Germany	December	49.0	Production and sales of aircraft components
GUANGDONG SMART LIFE TECHNOLOGY CO., LTD.	China	December	35.0	Sales of electronic products
Alluto LLC ¹	USA	December	51.0	Automotive software license

¹ The Group's percentage of ownership of the entity is more than 50%, but the Group has joint control over the entity under the joint venture agreement. Accordingly, the entity is classified as a joint venture.

iii) The Group applies the equity method of accounting to the above associates and joint ventures.

(c) Changes in investments in associates and joint ventures

i) Changes in the carrying amounts of investments in associates for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	2,946,619	3,909,200
Acquisition	540,336	7,702
Transfer	(22,590)	2,000
Gain (loss) from equity method valuation	(644,052)	(1,041,531)
Share of other comprehensive income of associates	37,791	84,454
Withdrawal of investments by dividend / capital reduction / liquidation and others	(22,407)	(11,250)
Changes in share of associates	-	909
Exchange differences	240	592
September 30	2,835,937	2,952,076

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ii) Changes in the carrying amounts of investments in joint ventures for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	57,845	54,350
Acquisition	10,660	20,699
Gain (loss) from equity method valuation	(2,441)	(18,591)
Share of other comprehensive income (loss) of joint ventures	(2,455)	(4,742)
Withdrawal of investments by dividend / capital reduction / liquidation and others	(925)	(317)
Exchange differences	(29)	90
September 30	62,655	51,489

(d) Condensed financial information of the associates that are material to the Group as of September 30, 2024 and December 31, 2023 and for each of the three-month and nine-month periods ended September 30, 2024 and 2023 is as follows:

- LG Display Co., Ltd. and its subsidiaries

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Current assets	9,856,177	9,503,186
Non-current assets	23,293,500	26,256,112
Total assets	33,149,677	35,759,298
Current liabilities	15,158,552	13,885,028
Non-current liabilities	9,647,697	13,103,726
Total liabilities	24,806,249	26,988,754
Equity attributable to the owners of LG Display Co., Ltd.	6,978,604	7,232,182
Non-controlling interests	1,364,824	1,538,362
Total equity	8,343,428	8,770,544

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Net sales	6,821,301	18,782,475	4,785,287	13,934,914
Gain (loss) for the period	(338,108)	(1,570,182)	(775,398)	(2,627,268)
Equity attributable to owners of LG Display Co., Ltd.				
Gain (loss) for the period	(355,159)	(1,644,843)	(720,025)	(2,791,928)
Other comprehensive income (loss), net of tax	(237,621)	171,963	127,471	218,939
Total comprehensive income (loss), net of tax	(592,780)	(1,472,880)	(592,554)	(2,572,989)

There are no dividends to be received from LG Display Co., Ltd. for the nine-month period ended September 30, 2024 (2023: nil).

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(e) Reconciliations of the condensed financial information of associates that are material to the Group adjusted to the carrying amount of the Group's interest for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

- LG Display Co., Ltd. and its subsidiaries

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Opening equity attributable to owners of LG Display Co., Ltd.	7,232,182	9,879,589
Paid-in capital increase	1,280,814	-
Gain (loss) for the period	(1,644,843)	(2,791,928)
Other comprehensive income (loss), net of tax	171,963	218,939
Other changes in equity	(61,512)	-
Closing equity attributable to owners of LG Display Co., Ltd.	6,978,604	7,306,600
The Group's percentage of ownership (%) ¹	36.7%	37.9%
The Group's share at the end of the reporting period	2,562,449	2,769,464
Unrealized gain (loss)	(83,939)	(92,433)
Carrying amount at the end of the reporting period	2,478,510	2,677,031

¹ The percentage of ownership changed after the Group participated in paid-in capital increase during the nine-month period ended September 30, 2024.

(f) The Group's share in the operating results of the individually insignificant associates and joint ventures for each of the three-month and nine-month periods ended September 30, 2024 and 2023 is as follows:

<i>(in millions of Korean won)</i>	2024			
	Associates		Joint ventures	
	Three months	Nine months	Three months	Nine months
Gain (loss) for the period	(1,082)	(4,946)	(1,366)	(1,811)
Other comprehensive income (loss), net of tax	(2,223)	3,750	(3,086)	(2,448)
Total comprehensive income (loss), net of tax	(3,305)	(1,196)	(4,452)	(4,259)

<i>(in millions of Korean won)</i>	2023			
	Associates		Joint ventures	
	Three months	Nine months	Three months	Nine months
Gain (loss) for the period	10,665	10,075	(7,236)	(18,621)
Other comprehensive income (loss), net of tax	2,769	1,468	(132)	(4,739)
Total comprehensive income (loss), net of tax	13,434	11,543	(7,368)	(23,360)

(g) There are no accumulated changes unrecognized in equity due to discontinued application of the equity method as of September 30, 2024 and December 31, 2023.

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(h) Fair values of marketable investments in associates as of September 30, 2024 and December 31, 2023 are as follows:

September 30, 2024					
	Type	Shares held (in number of shares)	Price per share (in Korean won)	Fair value (in millions of Korean won)	Carrying amount
LG Display Co., Ltd.	Associate	183,593,206	10,940	2,008,510	2,478,510
Robostar Co., Ltd.	Associate	3,256,500	23,000	74,900	77,540
ROBOTIS Co., Ltd.	Associate	961,550	19,500	18,750	7,982
December 31, 2023					
	Type	Shares held (in number of shares)	Price per share (in Korean won)	Fair value (in millions of Korean won)	Carrying amount
LG Display Co., Ltd.	Associate	135,625,000	12,740	1,727,863	2,649,411
Robostar Co., Ltd.	Associate	3,256,500	29,800	97,044	76,988
ROBOTIS Co., Ltd.	Associate	961,550	30,600	29,423	8,604

12. Borrowings

(a) Carrying amounts of borrowings as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Current		
Short-term borrowings	796,616	707,605
Current portion of long-term borrowings	1,648,772	1,247,341
Current portion of debentures	489,801	646,690
Subtotal	2,935,189	2,601,636
Non-current		
Long-term borrowings	5,072,405	5,536,626
Debentures	6,183,143	5,182,549
Subtotal	11,255,548	10,719,175
Total	14,190,737	13,320,811

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(b) Details of borrowings as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	Latest maturity date	Annual interest rate as of September 30, 2024(%)	Carrying amount	
			September 30, 2024	December 31, 2023
Short-term borrowings in local currency				
Korea Development Bank and others	-	4.57 ~ 5.84	34,970	118,168
Short-term borrowings in foreign currency				
Citibank and others ¹	-	2.65 ~ 12.20	761,646	589,437
Long-term borrowings in local currency				
The Export-Import Bank of Korea and others	2035. 1. 9	2.31 ~ 5.13	4,083,821	4,014,970
Long-term borrowings in foreign currency				
The Export-Import Bank of Korea and others	2034. 6. 27	0.67 ~ 7.53	2,637,356	2,768,997
Local currency debentures				
Public, non-guaranteed bonds	2036. 5. 4	1.59 ~ 4.84	3,750,000	3,960,000
Private, non-guaranteed bonds	2041. 2. 9	1.99 ~ 5.15	1,130,000	1,130,000
Foreign currency debentures				
Public, non-guaranteed bonds	2029. 4. 24	5.63	1,055,680	-
Private, non-guaranteed bonds	2031. 1. 8	0.94 ~ 7.18	695,516	688,442
Private, guaranteed bonds	2026. 10. 26	6.72	65,980	64,470
(Less: discount on debentures)			(24,232)	(13,673)
Total			14,190,737	13,320,811

¹ The above short-term borrowings in foreign currency include the short-term borrowings collateralized by trade receivables amounting to ₩65,582 million (December 31, 2023: ₩60,269 million) as of September 30, 2024. The Group entered into interest rate swap and cross-currency swap contracts to hedge cash flow risk related to floating interest rates and foreign exchange rates of certain portion of borrowings (see Note 30). The principal and interests of certain private guaranteed bonds are guaranteed by Shinhan Bank (see Note 27).

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13. Lease Liabilities

(a) Details of lease liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Lease liabilities		
Current	333,569	336,772
Non-current	814,943	856,251
Total	1,148,512	1,193,023

(b) The amounts recognized in profit or loss relating to leases for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Continuing operations		
Interest expense relating on lease liabilities	39,376	32,533
Short-term lease payments (included in cost of sales, selling and administrative expenses, and others)	45,079	37,244
Payments for leases of low-value assets that are not short-term leases (included in cost of sales, selling and administrative expenses, and others)	23,773	21,736
Expense relating to variable lease payments not included in the measurement of lease liabilities (included in selling and administrative expenses and others)	76,581	74,854
Subtotal	184,809	166,367
Discontinued operations	1,932	1,890
Total	186,741	168,257

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

(c) Total expenditures for leases including short-term leases and leases of low-value assets for the nine-month period ended September 30, 2024 are ₩466,732 million (September 30, 2023: ₩439,982 million).

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14. Retirement Benefits

14.1 Defined Benefit Plan

(a) The amounts of net defined benefit liabilities (assets) as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Present value of funded obligations	5,017,398	4,558,536
Present value of unfunded obligations	69,056	64,553
Subtotal	5,086,454	4,623,089
Fair value of plan assets	(5,056,870)	(5,075,633)
Net defined benefit liabilities (assets)	29,584	(452,544)

(b) The amounts recognized in profit or loss relating to defined benefits for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Current service cost	340,860	298,158
Net interest cost	(14,966)	(27,265)
Operating management cost	3,124	2,550
Total	329,018	273,443

(c) Line items in which expenses are included for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Continuing operations		
Cost of sales	151,232	125,201
Selling expenses	58,573	48,264
Administrative expenses	31,471	25,844
Research and development expenses	61,586	49,658
Service costs	25,982	22,534
Other non-operating expenses	140	1,879
Subtotal	328,984	273,380
Discontinued operations	34	63
Total	329,018	273,443

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(d) Changes in the present value of defined benefit obligations for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	4,623,089	3,939,596
Current service cost	340,860	298,158
Interest expense	152,994	153,066
Remeasurements for		
- Actuarial loss (gain) arising from changes in financial assumptions	243,979	(45,529)
Benefits paid	(274,624)	(229,037)
Others ¹	156	6,688
September 30	5,086,454	4,122,942

¹ Others include effects of exchange rate changes.

(e) Changes in the fair value of plan assets for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
January 1	5,075,633	4,624,609
Interest income	167,960	180,331
Remeasurements of plan assets	(15,362)	3,333
Employer contributions	104,287	103,800
Benefits paid	(272,802)	(240,287)
Operating management cost	(3,124)	(2,550)
Others ¹	278	734
September 30	5,056,870	4,669,970

¹ Others include effects of exchange rate changes.

(f) The key actuarial assumptions used as of September 30, 2024 and December 31, 2023 are as follows:

	September 30, 2024	December 31, 2023
Weighted average discount rate of the Group	4.0%	4.5%
Weighted average expected salary growth rate of the Group	5.9%	5.9%

As of September 30, 2024, the discount rates applied to the Parent Company and its subsidiaries are 0.9%~10.3% (December 31, 2023: 0.9%~10.3%), and the expected salary growth rates are 1.0%~10.0% (December 31, 2023: 1.0%~10.0%).

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(g) The sensitivity analysis of the defined benefit obligation to changes in principal assumptions as of September 30, 2024 is as follows:

<i>(in millions of Korean won)</i>	1%p increase	1%p decrease
Discount rate	(444,808)	481,385
Expected salary growth rate	495,832	(463,296)

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

14.2 Defined Contribution Plan

The expense recognized for the nine-month period ended September 30, 2024 in relation to the defined contribution plan is ₩28,226 million (September 30, 2023: ₩13,492 million).

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15. Provisions

Changes in provisions for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

Nine-month period ended September 30, 2024				
<i>(in millions of Korean won)</i>	Warranty	Restoration	Litigation and others	Total
January 1	1,001,682	52,511	322,927	1,377,120
Additions (reversal) ¹	1,115,596	3,844	(36,373)	1,083,067
Transfer from business combinations	446	-	-	446
Utilizations	(692,292)	(1,544)	(41,331)	(735,167)
Exchange differences	6,801	743	3,097	10,641
September 30	1,432,233	55,554	248,320	1,736,107
Current	1,333,903	12,039	110,912	1,456,854
Non-current	98,330	43,515	137,408	279,253

Nine-month period ended September 30, 2023				
<i>(in millions of Korean won)</i>	Warranty	Restoration	Litigation and others	Total
January 1	1,556,634	36,374	175,927	1,768,935
Additions (reversal) ¹	800,850	14,101	163,470	978,421
Utilizations	(1,305,906)	(1,527)	(31,853)	(1,339,286)
Exchange differences	15,781	300	6,674	22,755
September 30	1,067,359	49,248	314,218	1,430,825
Current	959,452	9,534	54,923	1,023,909
Non-current	107,907	39,714	259,295	406,916

¹ Net amount of additional provisions equals to additional provisions less reversed amounts.

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16. Paid-in Capital

(a) The number of ordinary shares and preferred shares as of September 30, 2024 is 600 million shares

	Par value per share (in Korean won)	September 30, 2024		December 31, 2023	
		Number of shares issued	Amount (in millions of Korean won)	Number of shares issued	Amount (in millions of Korean won)
Ordinary shares	5,000	163,647,814	818,239	163,647,814	818,239
Preferred shares	5,000	17,185,992	85,930	17,185,992	85,930
Total		180,833,806	904,169	180,833,806	904,169

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

(b) Share premium balance as of September 30, 2024 is ₩3,088,179 million. A share premium of ₩1,876,153 million is recognized, which includes ₩2,815,707 million of the carrying amount of net assets acquired from the entity spin-off on April 1, 2002 less ₩783,961 million of capital held by the Parent Company and ₩155,593 million of adjustment to capital transferred to the Parent Company. In addition, ₩331,766 million of paid-in capital incurred from the issuance of ordinary shares (merger with LG IBMPC Co., Ltd.) and the exercise of conversion options in 2005 and 2006 is recognized as share premium. Plus, ₩880,260 million of paid-in capital is recognized as the share premium incurred from the issuance of ordinary shares in 2011.

17. Retained Earnings

Retained earnings as of September 30, 2024 and December 31, 2023 are as follows:

(in millions of Korean won)	September 30, 2024	December 31, 2023
Legal reserve ¹	282,795	259,300
Voluntary reserve	6,147,421	5,504,433
Unappropriated retained earnings ²	10,414,036	10,437,706
Total	16,844,252	16,201,439

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

² Dividend for the year ended December 31, 2023 of ₩144,912 million was approved at the annual general meeting held on March 26, 2024, and paid in April 2024 (payments in 2023: ₩126,905 million). The interim dividend of ₩90,033 million, for which the dividend base date is June 30, 2024, was decided at the meeting of the Board of directors held on July 24, 2024, and was paid in August 2024.

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18. Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) as of September 30, 2024 and December 31, 2023 is as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Accumulated share of other comprehensive income (loss) of associates and joint ventures	142,759	88,029
Cash flow hedge	(4,466)	6,880
Financial assets at fair value through other comprehensive income (loss)	4,644	(19,702)
Exchange differences on translation of foreign operations	(442,823)	(496,025)
Subtotal	(299,886)	(420,818)
Accumulated other comprehensive income (loss) held for sale	(370)	(136)
Total	(300,256)	(420,954)

19. Other Components of Equity

Other components of equity as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Treasury shares ¹	(44,893)	(44,893)
Consideration for conversion rights	9,891	9,891
Gain on disposal of treasury shares	2,183	2,183
Capital transactions within the Group and others ²	(75,277)	(75,260)
Total	(108,096)	(108,079)

¹ The Parent Company has treasury shares consisting of 763,176 ordinary shares (December 31, 2023: 763,176 shares) and 4,693 preferred shares (December 31, 2023: 4,693 shares) at the end of the reporting period. The Parent Company intends to either grant these treasury shares to employees and directors as compensation or to sell them in the future.

² Included gain (loss) from disposal of investments in associates and subsidiaries and changes in investments due to changes in the percentage of ownership, net of deferred taxes.

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20. Net Sales

(a) Details of net sales for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Revenue from contracts with customers:				
Sales of goods	20,895,859	61,546,110	19,158,681	57,125,318
Rendering of services and others	806,284	2,153,516	620,342	1,685,621
Subtotal	21,702,143	63,699,626	19,779,023	58,810,939
Revenue from other sources:				
Rental income and others	474,227	1,267,081	258,830	718,144
Subtotal of continuing operations	22,176,370	64,966,707	20,037,853	59,529,083
Discontinued operations	119	97	671,541	1,595,702
Total	22,176,489	64,966,804	20,709,394	61,124,785

(b) Details of revenue from contracts with customers for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
By <i>type</i> of products:		
Refrigerator/ washing machine/ air conditioner and others	24,609,570	22,780,864
TV/AV and others	10,771,857	10,042,945
In-vehicle infotainment and others	7,962,857	7,552,657
Monitor/PC and others	4,429,605	4,138,070
Camera module and others	14,569,479	13,040,732
Others ¹	1,356,258	1,255,671
By <i>major</i> geographical market ² :		
Korea	24,673,168	22,794,153
America	16,977,673	15,830,764
Europe	9,978,373	8,876,857
Asia, Africa and others	12,070,412	11,309,165
Timing of revenue recognition		
At a point in time	60,284,954	55,863,734
Over time	3,414,672	2,947,205
Total	63,699,626	58,810,939

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

² Major geographical market represents the regions in which the Group is located.

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

Due to the factors causing the changes in the costs during the nine-month period ended September 30, 2024, the estimated total contract revenue and costs for contracts in progress have changed. Details of changes in estimated total contract revenue and costs and the impact on profit or loss for the nine-month period ended September 30, 2024 and the subsequent periods are as follows:

<i>(in millions of Korean won)</i>	Changes in estimated total contract revenue	Changes in estimated total contract cost	Impact on profit or loss for the period ended September 30, 2024	Impact on profit or loss for the subsequent periods
	127,535	72,043	29,575	25,917

21. Expenses by Nature

Expenses that are recorded by nature for each of the three-month and nine-month periods ended September 30, 2024 and 2023 consist of:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Changes in finished goods and work-in-process	(1,087,039)	(1,720,651)	(1,158,314)	(324,932)
Raw materials and merchandise used	14,568,300	40,701,477	13,259,272	36,010,130
Employee benefit expense	2,718,852	7,945,849	2,506,008	7,361,896
Depreciation and amortization	938,790	2,634,369	790,644	2,339,259
Advertising expense	433,523	1,178,476	392,459	1,008,342
Promotion expense	136,337	407,293	119,498	358,203
Freight expense	864,970	2,287,425	642,617	1,985,942
Commission expense	1,463,465	4,132,898	1,279,574	3,681,458
Other expenses	1,387,292	4,115,227	1,256,046	3,768,012
Subtotal¹	21,424,490	61,682,363	19,087,804	56,188,310
Discontinued operations	341,943	342,828	625,038	1,698,715
Total	21,766,433	62,025,191	19,712,842	57,887,025

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

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22. General Operating Expenses (Selling and Administrative Expenses, Research and Development Expenses, and Service Costs)

Details of general operating expenses for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Salaries	1,071,102	3,244,915	999,515	2,922,524
Retirement benefits	62,288	201,308	67,953	211,792
Employee welfare benefits	263,116	739,232	233,303	696,309
Freight expense	859,441	2,271,542	636,853	1,969,810
Rental expense	20,931	62,769	19,660	58,812
Commission expense	1,067,869	3,026,709	915,444	2,639,151
Depreciation	166,710	495,989	159,868	468,426
Amortization	43,560	122,868	38,397	111,870
Advertising expense	433,523	1,178,476	392,459	1,008,342
Promotion expense	136,337	407,293	119,498	358,203
R&D expense	86,199	235,877	86,368	241,933
Direct service costs	165,962	421,779	184,837	411,115
Bad debts expense	7,628	33,768	6,124	13,979
Others	241,471	700,342	200,932	613,478
Subtotal	4,626,137	13,142,867	4,061,211	11,725,744
Discontinued operations	341,936	342,660	(46,234)	106,514
Total	4,968,073	13,485,527	4,014,977	11,832,258

23. Financial Income and Expenses

(a) Financial income for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Interest income	123,673	384,078	116,306	306,978
Exchange differences	69,826	390,480	181,773	690,307
Gain on derivatives	4,760	44,380	12,189	15,325
Subtotal	198,259	818,938	310,268	1,012,610
Discontinued operations	616	2,374	1,889	4,311
Total	198,875	821,312	312,157	1,016,921

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(b) Financial expenses for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Interest expense	142,369	427,294	129,871	378,043
Exchange differences	102,616	357,726	126,475	552,769
Loss on derivatives	2,782	23,797	897	2,375
Loss on disposal of trade receivables	12,105	34,344	13,026	37,474
Others	727	2,209	1,207	2,535
Subtotal	260,599	845,370	271,476	973,196
Discontinued operations	11,535	35,415	11,970	32,820
Total	272,134	880,785	283,446	1,006,016

24. Other Non-operating Income and Expenses

(a) Other non-operating income for each of the three-month and nine-month periods ended September 30, 2024 and 2023 is as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Dividend income	347	738	-	1,258
Exchange differences	442,547	1,380,235	454,505	1,545,603
Gain on derivatives	14,811	30,274	5,611	11,315
Gain on disposal of property, plant and equipment	2,801	9,374	2,653	10,024
Gain on disposal of intangible assets	2,928	2,930	338	555
Gain on disposal of assets held for sale	2	2	55	99
Gain on valuation of financial assets at fair value through profit or loss	4,955	5,004	276	733
Others	17,908	52,509	21,473	105,603
Subtotal	486,299	1,481,066	484,911	1,675,190
Discontinued operations	21	1,900	39	1,981
Total	486,320	1,482,966	484,950	1,677,171

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(b) Other non-operating expenses for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	2024		2023	
	Three months	Nine months	Three months	Nine months
Continuing operations				
Exchange differences	472,968	1,520,834	506,315	1,610,054
Loss on derivatives	6,152	18,775	5,466	37,285
Loss on disposal of property, plant and equipment	5,422	11,091	1,354	9,324
Impairment loss on property, plant and equipment	4,240	26,603	5,026	24,631
Loss on disposal of intangible assets	4,690	21,587	19,973	43,071
Impairment loss on intangible assets	-	11,525	432	3,649
Loss on valuation of financial assets at fair value through profit or loss	36	1,728	324	1,474
Others	21,239	49,173	49,895	162,309
Subtotal	514,747	1,661,316	588,785	1,891,797
Discontinued operations	213	300	5,721	3,270
Total	514,960	1,661,616	594,506	1,895,067

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25. Earnings (Losses) per Share

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

(a) Basic earnings (losses) per ordinary share for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

	2024		2023	
	Three months	Nine months	Three months	Nine months
Profit (loss) attributable to ordinary shares (in millions of Korean won)	43,750	978,549	348,447	920,981
Continuing operations	275,870	1,224,945	327,723	1,010,732
Discontinued operations	(232,120)	(246,396)	20,724	(89,751)
Weighted average number of ordinary shares outstanding (in number of shares)	162,884,638	162,884,638	162,884,638	162,884,638
Basic earnings (losses) per ordinary share (in Korean won)	268	6,007	2,139	5,654
Continuing operations	1,693	7,520	2,012	6,205
Discontinued operations	(1,425)	(1,513)	127	(551)

(b) Basic earnings (losses) per preferred share for each of the three-month and nine-month periods ended September 30, 2024 and 2023 are as follows:

	2024		2023	
	Three months	Nine months	Three months	Nine months
Profit (loss) attributable to ordinary shares (in millions of Korean won)	4,830	103,863	36,968	97,790
Continuing operations	29,314	129,853	34,783	107,258
Discontinued operations	(24,484)	(25,990)	2,185	(9,468)
Weighted average number of ordinary shares outstanding (in number of shares)	17,181,299	17,181,299	17,181,299	17,181,299
Basic earnings (losses) per ordinary share (in Korean won)	281	6,045	2,151	5,691
Continuing operations	1,706	7,558	2,024	6,242
Discontinued operations	(1,425)	(1,513)	127	(551)

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26. Cash Flow Information

Cash flows from operating activities are presented using the indirect method. Details of cash generated from (used in) operations for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

(a) Cash generated from (used in) operations

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Profit (loss) for the period	1,305,119	1,227,045
Adjustments:		
Interest expense (income), net	43,216	71,065
Exchange differences, net	24,322	122,159
Loss (gain) on derivatives, net	(32,082)	13,020
Fixed asset depreciation	2,225,927	1,963,389
Amortization	405,179	386,470
Loss (gain) on disposal of property, plant and equipment and intangible assets, net	20,374	41,816
Provisions for retirement benefits	328,984	286,871
Additional provisions, net	585,868	619,827
Income tax expense	853,664	777,194
Loss (gain) from equity method valuation	646,493	1,060,122
Others	217,743	105,540
Discontinued operations	425,018	343,694
	<u>5,744,706</u>	<u>5,791,167</u>
Changes in operating assets and liabilities:		
Decrease (increase) in trade receivables	(2,594,037)	(2,016,280)
Decrease (increase) in other receivables	(157,793)	(401,664)
Decrease (increase) in inventories	(1,934,758)	(303,687)
Decrease (increase) in contract assets	(203,087)	(308,010)
Decrease (increase) in other assets	(534,766)	257,564
Increase (decrease) in trade payables	1,327,725	2,071,653
Increase (decrease) in other payables	(59,978)	(613,784)
Increase (decrease) in provisions	(735,167)	(1,339,286)
Increase (decrease) in contract liabilities	354,995	546,062
Increase (decrease) in other liabilities	511,024	425,452
Payment of defined benefit liabilities	(1,822)	(9,690)
Decrease (increase) in plan assets, net	(104,287)	(96,352)
	<u>(4,131,951)</u>	<u>(1,788,022)</u>
Cash generated from (used in) operations	<u>2,917,874</u>	<u>5,230,190</u>

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(b) Changes in liabilities from financing activities

		Nine-month period ended September 30, 2024						
		Net cash flows from financing activities	Effects of other changes				Gain (Loss) on valuation and others	September 30
(in millions of Korean won)	January 1		Additions	Exchange differences (profit/loss)	Amortization	Effects of exchange rate changes		
Borrowings	7,491,572	(67,065)	-	52,897	-	40,389	-	7,517,793
Debentures	5,829,239	870,250	-	(30,348)	3,803	-	-	6,672,944
Lease liabilities	1,193,023	(282,955)	225,819	3,609	2,964	6,052	-	1,148,512
Net derivative liabilities (assets)	(123,743)	18,312	-	9,595	(5,392)	-	(68)	(101,296)
Other payables	271,413	-	17,251	1,062	-	5,615	-	295,341
Total	14,661,504	538,542	243,070	36,815	1,375	52,056	(68)	15,533,294

		Nine-month period ended September 30, 2023						
		Net cash flows from financing activities	Effects of other changes				Gain (Loss) on valuation and others	September 30
(in millions of Korean won)	January 1		Additions	Exchange differences (profit/loss)	Amortization	Effects of exchange rate changes		
Borrowings	5,977,271	1,217,316	-	112,165	-	117,893	-	7,424,645
Debentures	5,067,916	737,694	-	35,966	(241)	-	-	5,841,335
Lease liabilities	1,096,235	(274,906)	258,350	(1,908)	3,181	34,166	-	1,115,118
Net derivative liabilities (assets)	(135,375)	(2,600)	-	(79,486)	(3,157)	-	(1,325)	(221,943)
Other payables	125,288	-	-	4,678	-	4,766	-	134,732
Total	12,131,335	1,677,504	258,350	71,415	(217)	156,825	(1,325)	14,293,887

(c) Material non-cash transactions

(in millions of Korean won)	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Reclassification of construction-in-progress to property, plant and equipment	680,482	1,124,284
Reclassification of construction-in-progress to intangible assets	506,490	247,518
Reclassification of current portion of borrowings	1,730,386	1,338,115
Other payables to acquire property, plant and equipment	310,701	366,744
Other payables to acquire intangible assets	104,958	10,904
Acquisition of right-of-use assets	247,010	297,518

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27. Contingencies

(a) As of September 30, 2024, borrowings are collateralized by a certain portion of property, plant and equipment (land, buildings) with the pledged amount of ₩83,141 million (December 31, 2023: ₩80,481 million) and the carrying amount of pledged assets is ₩144,970 million (December 31, 2023: ₩120,253 million). In addition, the Group has been providing buildings as collateral to Shinhan Bank and others, the mortgagee, in order to guarantee obligations of landlords, who leased the land to the Group, with the pledged amount of ₩14,400 million (December 31, 2023: ₩14,400 million), and the carrying amount of pledged assets is ₩4,066 million (December 31, 2023: ₩4,649 million).

(b) As of September 30, 2024, the Parent Company and domestic subsidiaries are provided with payment guarantees of ₩364,206 million (December 31, 2023: ₩400,116 million) from Seoul Guarantee Insurance and others relating to the performance guarantees. LG Innotek Co., Ltd. is provided with guarantee of principal amounting to USD \$50 million (December 31, 2023: USD \$50 million) and interests from Shinhan Bank for the guaranteed private placement bonds.

(c) As of September 30, 2024, the Parent Company is providing Hana Bank with a subrogation payment obligation for customers up to ₩46,000 million (December 31, 2023: ₩46,000 million).

(d) There are a number of legal actions, disputes and investigations arising from the normal course of business that remain pending at the end of the reporting period. The ultimate effect of those lawsuits on the financial position of the Group cannot reflect a reasonable expectation. Management does not expect the outcome of the litigations will have a material effect on the Group's financial position.

At the end of the reporting period, LG Display Co., Ltd., an associate of the Group, has been accused as a defendant in several litigation cases related to the infringement of patents. In addition, LG Display Co., Ltd. is currently under the investigation and civil suit for anti-competitive activities. The outcome of such investigation and litigation cases may affect the gain or loss from the equity method valuation of the Group, but the Group is not individually responsible for the above litigation case and the investigation.

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28. Commitments

(a) As of September 30, 2024, the Group has borrowing agreements, such as overdraft facility agreements, trade financing and others, with various banks, including Shinhan Bank, with a limit of ₩7,820,607 million (December 31, 2023: ₩7,779,499 million).

(b) As of September 30, 2024, the Group has sales agreements for receivables with various banks including Hana Bank amounting to ₩5,371,771 million (December 31, 2023: ₩5,655,911 million).

(c) As of September 30, 2024, the Group has corporate electronic settlement services contracts and vendor prepayment services contracts with various banks including Shinhan Bank for up to ₩1,517,274 million (December 31, 2023: ₩1,511,711 million) in connection with the payment of trade payables.

(d) As of September 30, 2024, the Group has commercial paper agreements with Shinhan Bank and others for ₩60,000 million (December 31, 2023: ₩60,000 million).

(e) Contractual commitments for the acquisition of assets

Assets contracted for, but not yet acquired at the end of the reporting period, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	September 30, 2023
Property, plant and equipment	306,677	392,694
Intangible assets	178,860	39,483
Investments in associates and joint ventures	52,904	78,772
Total	538,441	510,949

Other than the above commitments, Zenith Electronics LLC(Zenith), a subsidiary of the Group, agreed to the tender offers based on fair value at certain time in relation to the shares held by non-controlling shareholders of Alphonso Inc. and the shares to be issued by the exercise of stock options. As of September 30, 2024, the Group recognized this commitment as other payables.

In addition, the Parent Company agreed to tender offers based on fair value at certain time in relation to the shares held by non-controlling shareholders of Cybellum Technologies Ltd. and the shares to be issued by the exercise of stock options. As of September 30, 2024, the Group has recognized this commitment as other payables and other financial liabilities.

As of September 30, 2024, the Parent Company agreed to tender offers based on purchase price at certain time in relation to the shares held by the non-controlling shareholders of Athom Holding B.V., and the Group has recognized this commitment as other payables.

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(f) Operating lease commitments – the Group as a lessor

i) The Group has non-cancellable operating lease agreements regarding home appliance rental business and real estate rental business. The future aggregate lease payments under the operating leases at the end of the reporting period are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024					Total lease payments
	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 4 years	
Home appliance rental	158,417	75,974	22,291	2,400	-	259,082
Real estate rental	5,489	5,489	5,482	1,498	18	17,976
Total	163,906	81,463	27,773	3,898	18	277,058

ii) The Group recognized ₩263,814 million (September 30, 2023: ₩366,123 million) in lease income for the nine-month period ended September 30, 2024.

(g) Financial lease commitments – the Group as a lessor

i) Gross investment in the lease and present value of the minimum lease payments for the financial lease as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023	
	Gross investment in the lease ¹	Net Investment in the lease	Gross investment in the lease ¹	Net Investment in the lease
Within 1 year	333,955	235,772	137,636	98,689
Between 1 and 2 years	345,069	264,595	138,113	106,012
Between 2 and 3 years	349,182	288,184	134,626	109,731
Between 3 and 4 years	338,849	298,968	138,393	121,343
Later than 4 years	448,270	424,375	204,101	192,587
Total	1,815,325	1,511,894	752,869	628,362

¹ There is no remaining useful life without guarantee reflected on gross investment in the lease.

ii) Unrealized interest income of financial lease as of September 30, 2024 and December 31, 2023 is as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Gross investment in the lease	1,815,325	752,869
Net investment in the lease	1,511,894	628,362
Unrealized interest income	303,431	124,507

iii) For the nine-month period ended September 30, 2024, the Group recognized income amounting to ₩974,749 million (September 30, 2023: ₩322,420 million) in relation to financial lease contract, and financial income of net investment in the lease amounting to ₩52,544 million (September 30, 2023: ₩14,017 million) is included.

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(h) License agreements including patent and trademark

As of September 30, 2024, the Group has various agreements as follows:

<u>Purpose</u>	<u>Related products</u>	<u>Provided by</u>	<u>Used by</u>
Use of license	All products	Qualcomm Incorporated and others	LG Electronics Inc.
Provision of license	All products	LG Electronics Inc.	Panasonic Corporation and others
Use of trademarks	All products	LG Corp.	LG Electronics Inc.
Use of trademarks	Vehicle components	Magna International Inc.	LG Electronics Inc.

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29. Related Party

(a) Major transactions for each of the nine-month periods ended September 30, 2024 and 2023, and balances of receivables and payables from transaction with related parties as of September 30, 2024 and December 31, 2023 are as follows:

i) Major income and expense transactions with related parties

(in millions of Korean won)

Classification	Company	Nine-month period ended September 30, 2024					
		Income transactions			Expense transactions		
		Sales	Others	Total	Purchases	Others ⁴	Total
Significantly influencing the Group	LG Corp.	996	-	996	-	134,921	134,921
Associates	LG Display Co., Ltd. and its subsidiaries	319,199	79,645	398,844	2,527,888	645	2,528,533
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	202	-	202	15,162	10	15,172
	Acryl Inc.	-	-	-	681	1,119	1,800
	ROBOTIS Co., Ltd.	-	-	-	-	63	63
	Robostar Co., Ltd. and its subsidiaries	19	-	19	5,463	776	6,239
	TheWaveTalk Co., Ltd.	-	-	-	-	30	30
	GOQUAL Inc.	-	-	-	-	78	78
	Subtotal	319,420	79,645	399,065	2,549,194	2,721	2,551,915
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	75,454	-	75,454	94,999	24	95,023
	EIC PROPERTIES PTE LTD.	-	-	-	-	679	679
	LG-MRI LLC ²	-	-	-	2,281	-	2,281
	LG-LHT Passenger Solution GmbH	23	-	23	-	-	-
	Subtotal	75,477	-	75,477	97,280	703	97,983
Other related parties	LG CNS Co., Ltd. and its subsidiaries	56,008	2,408	58,416	111,062	794,557	905,619
	D&O Corp. and its subsidiaries	146	-	146	90	22,992	23,082
	LG Management Development Institute	38	-	38	8	80,169	80,177
	LG SPORTS Ltd.	17	18	35	280	11,835	12,115
	LG Holdings Japan Co., Ltd.	-	-	-	-	781	781
	Subtotal	56,209	2,426	58,635	111,440	910,334	1,021,774
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	1,097,506	14,300	1,111,806	458,547	3,605	462,152
	LG Uplus Corp and its subsidiaries	63,345	1,824	65,169	28,155	4,409	32,564
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	4,689	1,831	6,520	-	535	535
	HS Ad Inc. and its subsidiaries	6,224	-	6,224	66	421,035	421,101
	XI C&A Co., Ltd. and its subsidiaries ³	1,113	-	1,113	-	74,478	74,478
	S&I Corp. and its subsidiaries ³	4,355	-	4,355	1,103	27,422	28,525
	Subtotal	1,177,232	17,955	1,195,187	487,871	531,484	1,019,355
	Total	1,629,334	100,026	1,729,360	3,245,785	1,580,163	4,825,948

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(in millions of Korean won)

		Nine-month period ended September 30, 2023					
Classification	Company	Income transactions			Expense transactions		
		Sales	Others	Total	Purchases	Others ⁴	Total
Significantly influencing the Group	LG Corp.	2,656	-	2,656	-	125,064	125,064
Associates	LG Display Co., Ltd. and its subsidiaries	425,231	91,417	516,648	2,314,600	3,144	2,317,744
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	181	-	181	66,149	180	66,329
	Acryl Inc.	-	-	-	-	1,640	1,640
	ROBOTIS Co., Ltd.	-	-	-	-	15	15
	Robostar Co., Ltd. and its subsidiaries	18	-	18	14,094	2,771	16,865
	SideChef Group Limited	-	-	-	-	1,193	1,193
	Subtotal	425,430	91,417	516,847	2,394,843	8,943	2,403,786
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	67,363	-	67,363	143,646	13	143,659
	EIC PROPERTIES PTE LTD.	-	-	-	-	878	878
	LG-MRI LLC ²	15,853	-	15,853	22,060	-	22,060
	LG-LHT Passenger Solution GmbH	495	-	495	-	-	-
	Subtotal	83,711	-	83,711	165,706	891	166,597
Other related parties	LG CNS Co., Ltd. and its subsidiaries	92,919	2,412	95,331	105,466	553,919	659,385
	D&O Corp. and its subsidiaries	119	-	119	595	16,016	16,611
	LG Management Development Institute	33	-	33	244	70,137	70,381
	LG SPORTS Ltd.	14	16	30	-	12,503	12,503
	LG Holdings Japan Co., Ltd.	1	-	1	-	4,597	4,597
	Subtotal	93,086	2,428	95,514	106,305	657,172	763,477
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	1,038,347	48,383	1,086,730	2,019,498	3,689	2,023,187
	LG Uplus Corp and its subsidiaries	41,487	1,846	43,333	36,619	4,890	41,509
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	677	1,686	2,363	534	197	731
	HS Ad Inc. and its subsidiaries	6,366	-	6,366	251	374,451	374,702
	XI C&A Co., Ltd. and its subsidiaries ³	15,118	-	15,118	7,742	129,623	137,365
	S&I Corp. and its subsidiaries ³	13,029	-	13,029	3,451	80,243	83,694
	Subtotal	1,115,024	51,915	1,166,939	2,068,095	593,093	2,661,188
	Total	1,719,907	145,760	1,865,667	4,734,949	1,385,163	6,120,112

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

² Liquidation was completed during the nine-month period ended September 30, 2024.

³ Excluded from large-scale business group under the *Monopoly Regulation and Fair Trade Act* as of March 19, 2024.

⁴ Others include acquisition amount of right-of-use assets and interest expense of lease liabilities.

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ii) The balances of receivables from and payables to related parties

(in millions of Korean won)

		September 30, 2024							
Classification	Company	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ⁴	Total
Significantly influencing the Group	LG Corp.	118	-	29,520	29,638	-	-	13,146	13,146
Associates	LG Display Co., Ltd. and its subsidiaries	83,778	1,000,000	258,211	1,341,989	543,230	-	55,261	598,491
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	-	-	-	-	4,677	-	3	4,680
	Ericsson-LG Co., Ltd.	-	-	-	-	-	-	-	-
	Robostar Co., Ltd. and its subsidiaries	-	-	-	-	171	-	5,057	5,228
	Subtotal		83,778	1,000,000	258,211	1,341,989	548,078	-	60,321
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	5,971	-	-	5,971	13,169	-	6	13,175
	EIC PROPERTIES PTE LTD.	-	-	-	-	-	-	84	84
	Subtotal	5,971	-	-	5,971	13,169	-	90	13,259
Other related parties	LG CNS Co., Ltd. and its subsidiaries	21,410	-	1,301	22,711	10,629	-	377,732	388,361
	D&O Corp. and its subsidiaries	2	-	1,000	1,002	15	-	7,189	7,204
	LG Management Development Institute	8	-	-	8	-	-	2,021	2,021
	LG SPORTS Ltd.	2	-	-	2	-	-	828	828
	LG Holdings Japan Co., Ltd.	-	-	5,591	5,591	-	-	11,427	11,427
	Subtotal	21,422	-	7,892	29,314	10,644	-	399,197	409,841
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	198,729	-	529,834	728,563	154,889	-	109,243	264,132
	LG Uplus Corp and its subsidiaries	10,415	-	253	10,668	5,259	-	1,020	6,279
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	43	-	670	713	24	-	280	304
	HS Ad Inc. and its subsidiaries	34	-	1,699	1,733	872	-	244,717	245,589
	Subtotal	209,221	-	532,456	741,677	161,044	-	355,260	516,304
Total		320,510	1,000,000	828,079	2,148,589	732,935	-	828,014	1,560,949

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		December 31, 2023							
Classification	Company	Receivables				Payables			
		Trade receivables	Loans	Other receivables	Total	Trade payables	Borrowings	Other payables ⁴	Total
Significantly influencing the Group	LG Corp.	480	-	29,911	30,391	-	-	35,829	35,829
Associates	LG Display Co., Ltd. and its subsidiaries	173,522	1,000,000	264,036	1,437,558	384,166	-	71,278	455,444
	Hitachi-LG Data Storage Inc. (HLDS) and its subsidiaries	-	-	-	-	16,618	-	519	17,137
	Robostar Co., Ltd. and its subsidiaries	-	-	-	-	-	-	9,891	9,891
	Subtotal	173,522	1,000,000	264,036	1,437,558	400,784	-	81,688	482,472
Joint ventures	Arcelik-LG Klima Sanayi ve Ticaret A.S.(LGEAT)	11,737	-	-	11,737	13,583	-	3	13,586
	EIC PROPERTIES PTE LTD.	-	-	-	-	-	-	104	104
	LG-MRI LLC ²	6,884	-	-	6,884	3,152	-	5	3,157
	LG-LHT Passenger Solutions GmbH	66	-	-	66	-	-	-	-
Subtotal	18,687	-	-	18,687	16,735	-	112	16,847	
Other related parties	LG CNS Co., Ltd. and its subsidiaries	38,905	-	1,460	40,365	14,220	-	447,295	461,515
	D&O Corp. and its subsidiaries	1	-	1,000	1,001	21	-	7,139	7,160
	LG Management Development Institute	6	-	-	6	-	-	1,196	1,196
	LG SPORTS Ltd.	1	-	-	1	-	-	1,025	1,025
	LG Holdings Japan Co., Ltd.	-	-	5,520	5,520	-	-	-	-
Subtotal	38,913	-	7,980	46,893	14,241	-	456,655	470,896	
Others ¹	LG Chem Ltd., its subsidiaries and joint ventures	344,768	-	254,938	599,706	349,146	-	83,222	432,368
	LG Uplus Corp and its subsidiaries	10,738	-	652	11,390	2,416	-	674	3,090
	LG HOUSEHOLD & HEALTH CARE LTD and its subsidiaries	112	-	1,331	1,443	26	-	246	272
	HS Ad Inc. and its subsidiaries	80	-	845	925	643	-	221,259	221,902
	XI C&A Co., Ltd. and its subsidiaries ³	4,372	-	-	4,372	-	-	66,383	66,383
	S&I Corp. and its subsidiaries ³	9,837	-	407	10,244	475	-	20,282	20,757
Subtotal	369,907	-	258,173	628,080	352,706	-	392,066	744,772	
Total	601,509	1,000,000	560,100	2,161,609	784,466	-	966,350	1,750,816	

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

² Liquidation was completed during the nine-month period ended September 30, 2024.

³ Excluded from large-scale business group under the *Monopoly Regulation and Fair Trade Act* as of March 19, 2024.

⁴ Other payables include lease liabilities.

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iii) Significant capital transactions and others with related parties for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

		Nine-month period ended September 30, 2024						
		Dividend income	Dividend paid	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ³	
Classification	Company				Loans	Collections	Borrowings	Repayments
Significantly influencing the Group	LG Corp.	-	71,623	-	-	-	-	22,279
Associates and joint ventures	LG Display Co., Ltd. ¹	-	-	436,031	-	-	-	1,591
	Ericsson-LG Co., Ltd.	17,500	-	-	-	-	-	-
	Mirae Asset-LG Electronics New Growth Fund I	3,436	-	8,529	-	-	-	-
	NOVA Prime Fund I, LP	-	-	4,181	-	-	-	-
	LG-LHT Aircraft Solutions GmbH	-	-	5,330	-	-	-	-
	LG-LHT Passenger Solutions GmbH	-	-	5,330	-	-	-	-
	Subtotal	20,936	-	459,401	-	-	-	1,591
	Other related parties	LG CNS Co., Ltd. and its subsidiaries	-	-	-	-	-	5,219
D&O Corp. and its subsidiaries		-	-	-	-	-	469	1,275
LG Holdings Japan Co., Ltd.		-	-	-	-	-	-	3,813
Subtotal		-	-	-	-	-	5,688	5,088
Total	20,936	71,623	459,401	-	-	5,688	28,958	

		Nine-month period ended September 30, 2023						
		Dividend income	Dividend paid	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ³	
Classification	Company				Loans	Collections	Borrowings	Repayments
Significantly influencing the Group	LG Corp.	-	38,566	-	-	-	-	20,736
Associates and joint ventures	LG Display Co., Ltd. ¹	-	-	-	1,000,000	-	-	-
	Ericsson-LG Co., Ltd.	11,250	-	-	-	-	-	-
	LG-MRI LLC ²	317	-	-	-	-	-	-
	CCP-LGE OWNER, LLC	1	-	-	-	-	-	-
	LG-LHT Aircraft Solutions GmbH	-	-	8,805	-	-	-	-
	LG-LHT Passenger Solutions GmbH	-	-	10,197	-	-	-	-
	GUANGDONG SMART LIFE TECHNOLOGY CO., LTD	-	-	320	-	-	-	-
	FITNESSCANDY Co., Ltd.	-	-	1,377	-	-	-	-
	Subtotal	11,568	-	20,699	1,000,000	-	-	-

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		Nine-month period ended September 30, 2023						
		Dividend income	Dividend paid	Cash distribution (reduction)	Financing loan transactions		Financing borrowing transactions ³	
Classification	Company				Loans	Collections	Borrowings	Repayments
Other related parties	LG CNS Co., Ltd.	-	-	-	-	-	-	121
	D&O Corp.	-	-	-	-	-	409	1,130
	Subtotal	-	-	-	-	-	409	1,251
Total		11,568	38,566	20,699	1,000,000	-	409	21,987

¹ As of September 30, 2024, the Parent Company has entered into a loan agreement with LG Display Co., Ltd. for ₩1,000,000 million, and has been provided with collateral related thereto. As of September 30, 2024, ₩1,000,000 million has been executed.

² Liquidation was completed during the nine-month period ended September 30, 2024.

³ Financing borrowing transactions include borrowing and repayment of the principal amount of lease liabilities.

(b) The compensation paid or payable to key management personnel for each of the nine-month periods ended September 30, 2024 and 2023 is as follows:

(in millions of Korean won)	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Salaries and other short-term benefits	14,428	9,833
Retirement benefits	1,680	1,568
Other long-term benefits	2	2
Total	16,110	11,403

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

(c) There is no collateral provided by the Group for the financial support of related parties as of September 30, 2024.

(d) The Group has not recognized any bad debt expense or allowance for trade receivables from related parties at the end of the reporting period.

30. Risk Management

30.1 Financial Risk Management

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

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

The Group operates proactive and systematic management of the financial risks over global business activities

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through its four overseas treasury centers in New Jersey (United States), Amsterdam (Netherlands), Beijing (China), and Singapore in coordination with Finance Division in the Parent Company. And it also helps to improve business competitiveness of overseas subsidiaries by integrating their finance functions.

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

The carrying amount and profit or loss of each category of financial instruments, and the details of borrowings related to the financial risk management are presented in Note 5 and Note 12, respectively.

(a) Market risk

i) Foreign exchange risk

Due to its multinational business operations, the Group is mainly exposed to foreign exchange risk on the U.S. Dollar and Euro.

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

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

The following table demonstrates the impact on profit (loss) before tax for monetary assets and liabilities denominated in major foreign currencies other than the functional currency as of September 30, 2024 and December 31, 2023 due to possible changes in foreign exchange rate of the Korean won by 10% with all other variables held constant:

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023	
	10% increase	10% decrease	10% increase	10% decrease
USD/KRW	81,686	(81,686)	63,185	(63,185)
EUR/KRW	35,836	(35,836)	30,146	(30,146)

ii) Interest rate risk

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

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expense.

The Group minimizes its borrowings from others and optimizes its deposits by expanding internal finance sharing. The Group periodically monitors both domestic and foreign interest rate trends to establish countermeasures against changes in interest rates.

If interest rates fluctuate by 1%p with all other variables held constant, the effects on income and expenses related to borrowings and deposits held by financial institutions with variable interest rates for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024		Nine-month period ended September 30, 2023	
	1%p increase	1%p decrease	1%p increase	1%p decrease
Interest income	57,561	(57,561)	60,774	(60,774)
Interest expenses	12,647	(12,647)	12,788	(12,788)

iii) Details of derivative contracts are as follows:

Derivatives for hedging purposes

The Group entered into the currency forward, cross-currency swap and the interest rate swap contracts to hedge cash flow risks and fair value risks related to the foreign exchange rates and floating interest rates.

Details of hedging instruments are as follows:

Contract	Contractor	Contracted amount <i>(in millions)</i>	Contracted currency rate	Interest rate <i>(paid) (%)</i>	Types of hedging	Starting date	Expiration date	Carrying amount <i>(In millions of Korean won)</i>	
								Assets	Liabilities
Cross-currency swap	Hana Bank and others	USD 1,968 (USD/KRW)	1,067.9 ~ 1,380.0	1.88 ~ 4.56	Cash flow hedge	2017. 10. 23 ~ 2024. 9. 24	2025. 4. 23 ~ 2031. 7. 28	141,120	40,061
	CITI Bank	EUR 95 (EUR/KRW)	1,312.5	3.84	Cash flow hedge	2022. 7. 15	2028. 1. 14	11,465	-
Currency forward	CITI Bank and others	JPY 22,000 (JPY/KRW)	8.7 ~ 10.0	4.06 ~ 4.38	Cash flow hedge	2023. 4. 4 ~ 2023.11.24	2029. 4. 4 ~ 2029. 5. 24	2,352	14,002
	ING and others	CZK 173 (CZK/EUR)	25.4	-	Cash flow hedge	2024. 3. 13	2024. 10. 1 ~ 2024.12.2	71	-
	ING and others	EUR 45 (EUR/USD)	1.1	-	Fair value hedge	2024. 1.23 ~ 2024. 1.30	2024.12.20	1,350	-
Interest rate swap	Woori Bank and others	KRW 1,266,821 / USD 203	-	2.75 ~ 4.87	Cash flow hedge	2014. 4.30 ~ 2024. 3.29	2027. 1.15 ~ 2032.11.16	11,667	18,439

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

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Details of hedged items are as follows:

<i>(in millions of Korean won)</i>	Types of hedging	Hedged items	Carrying amount	Changes in fair value (net of tax)
Cross-currency swap	Cash flow hedge	Borrowings	2,870,336	(9,186)
Currency forward	Cash flow hedge	Forecast transaction	-	(189)
Interest rate swap	Cash flow hedge	Borrowings	1,386,864	2,848

<i>(in millions of Korean won)</i>	Types of hedging	Hedged items	Carrying amount	Changes in fair value (before tax)
Currency forward	Fair value hedge	Borrowings	-	(1,346)

The results of hedge accounting are as follows:

<i>(in millions of Korean won)</i>	Types of hedging	Changes in fair value of derivatives (net of tax)	Line items in profit or loss	Reclassified to profit or loss (net of tax)	Other comprehensive loss (net of tax)	Accumulated other comprehensive income
Cross-currency swap	Cash flow hedge	9,186	Interest expense and exchange differences	(11,691)	(2,505)	(258)
Currency forward	Cash flow hedge	189	Exchange differences	135	54	(398)
Interest rate swap	Cash flow hedge	(2,848)	Interest expense	(8,398)	(11,246)	(5,544)

<i>(in millions of Korean won)</i>	Types of hedging	Changes in fair value of derivatives (before tax)	Line items in profit or loss	Effective hedge (before tax)	Ineffective hedge (before tax)
Currency forward	Fair value hedge	1,346	Exchange differences	(1,346)	-

Derivatives for trading purposes

Currency forward and interest rate swap contracts

The Group entered into the currency forward, cross-currency swap and interest rate swap contracts to manage the risk against possible future changes in foreign exchange rates and interest rates. Details of currency forward contract, cross-currency swap contract and the interest rate swap contracts held by the Group and embedded derivatives as of September 30, 2024 and profit or loss recognized in relation thereto for the nine-month period ended September 30, 2024 are as follows:

<i>(in millions of Korean won)</i>	Purchase	Sale	Gain (Loss) on valuation	Gain (Loss) on transaction
Currency forward	562,342	561,144	2,477	8,856
Cross-currency swap	-	-	-	22,855
Interest rate swap	-	-	(2,836)	-

Stock purchase contracts

According to the put options granted to employees to whom stock options of Cybellum Technologies Ltd. were granted, the Group recognized ₩2,458 million of derivative liabilities and no gain or loss on derivatives transaction was recognized during the nine-month period ended September 30, 2024. The Group also recognized a derivative asset of ₩22,590 million as the Group acquired a call option to acquire preferred shares in Bear Robotics, Inc. for the nine-month period ended September 30, 2024.

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Price risk

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

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

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

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023	
	30% increase	30% decrease	30% increase	30% decrease
KOSDAQ	18,764	(18,764)	4,556	(4,556)
NASDAQ	50	(50)	98	(98)
NYSE	1,347	(1,347)	2,726	(2,726)
Austrian Traded Index	74	(74)	231	(231)

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

(b) Credit risk

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

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

As of September 30, 2024, trade receivable balance of the Group is ₩12,591,369 million (December 31, 2023: ₩10,007,884 million) and its risk is managed appropriately within insurer's credit limit of ₩27,173,294 million (December 31, 2023: ₩26,476,779 million). Therefore, the Group determined that credit risk exposed to the Group is limited.

As of September 30, 2024, the carrying amount of financial assets represents net of impairment loss to reflect the Group's maximum exposure to the credit risk.

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(c) Liquidity risk

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

The Group maintains adequate amount of cash and committed credit facilities in Kookmin Bank, Shinhan Bank and Standard Chartered Bank to cope with potential liquidity risk arising from financial distress.

In addition, the Group is able to source funds any time in the domestic and international financial markets because it has good investment credit grades of AA Stable from Korea Investors Service, Korea Ratings and NICE Information Service, BBB from Standard & Poors, and Baa2 from Moody's as of September 30, 2024.

i) Cash flow information on maturity of financial liabilities as of September 30, 2024 and December 31, 2023 are as follows:

September 30, 2024					
<i>(in millions of Korean won)</i>	Total	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Trade payables	10,652,905	10,652,905	-	-	-
Borrowings	16,433,299	3,580,020	2,664,434	6,947,902	3,240,943
Lease liabilities	1,267,218	363,174	288,055	377,557	238,432
Other payables	4,671,296	4,441,148	149,132	69,150	11,866
Other financial liabilities	64,202	4,235	527	6,006	53,434
Total	33,088,920	19,041,482	3,102,148	7,400,615	3,544,675

December 31, 2023					
<i>(in millions of Korean won)</i>	Total	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Trade payables	9,427,288	9,427,288	-	-	-
Borrowings	15,338,523	3,101,393	2,311,301	5,731,781	4,194,048
Lease liabilities	1,341,187	370,035	280,387	460,881	229,884
Other payables	4,837,025	4,624,116	99,804	112,550	555
Other financial liabilities	70,780	3,016	1,960	7,110	58,694
Total	31,014,803	17,525,848	2,693,452	6,312,322	4,483,181

The above cash flows are calculated at nominal value based on the earliest maturity dates and include cash flows of principal and interests. Among derivatives in other financial liabilities that are not qualified for hedge accounting, liabilities on currency forward contract are classified as those with maturity within a year at their fair value of ₩3,292 million as of September 30, 2024 (December 31, 2023: ₩2,567 million). This is because the contractual maturities are not essential for an understanding of the timing of the cash flows.

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These contracts are managed on a net-fair value basis rather than by maturity date. Derivatives for cash flow hedges from changes in interest rate and exchange rate are reflected in the cash flows of related borrowings.

ii) As of September 30, 2024, the maturity analysis of financial guarantee contracts provided by the Group to third party companies is as follows:

<i>(in millions of Korean won)</i>	Total	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years
Financial guarantee contracts	46,000	46,000	-	-	-

The above cash flow is the maximum amount of guarantees allocated to the earliest period in which the guarantees could be called.

30.2 Capital Risk Management

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

Liability to equity ratio and net borrowing ratio as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won, except for ratios)</i>	September 30, 2024	December 31, 2023
Liability (A)	39,902,594	36,742,257
Equity (B)	24,419,324	23,498,536
Cash and cash equivalents (C)	7,692,326	8,487,563
Borrowings and lease liabilities (D)	15,339,249	14,513,834
Liability to equity ratio (A/B)	163.4%	156.4%
Net borrowings ratio ((D-C)/B)	31.3%	25.6%

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30.3 Fair Value Estimation

(a) The carrying amount and fair value of the Group's financial assets and liabilities as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets at fair value				
Financial assets at fair value through profit or loss				
Other financial assets and others	30,003	30,003	159,371	159,371
Financial assets at fair value through other comprehensive income				
Trade receivables	2,751,784	¹	-	-
Other financial assets	-	-	156,048	156,048
Derivatives for hedging purposes				
Other financial assets	26,611	26,611	141,414	141,414
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	7,692,326	¹	-	-
Deposits held by financial institutions	43,426	¹	193,687	¹
Trade receivables	8,090,862	¹	132,010	132,010
Other receivables	1,258,715	¹	1,283,919	1,228,195
Other assets				
Trade receivables	234,134	¹	1,271,789	1,271,789
Total	20,127,861		3,338,238	

<i>(in millions of Korean won)</i>	September 30, 2024			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	4,224	4,224	9,419	9,419
Derivatives for hedging purposes				
Other financial liabilities	-	-	72,502	72,502
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	10,652,905	¹	-	-
Borrowings	2,935,189	¹	11,255,548	11,629,251
Other payables	4,441,066	¹	229,959	228,599
Other liabilities				
Lease liabilities	333,569	²	814,943	²
Other financial liabilities	11	³	-	-
Total	18,366,964		12,382,371	

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<i>(in millions of Korean won)</i>	December 31, 2023			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets at fair value				
Financial assets at fair value through profit or loss				
Other financial assets and others	78,862	78,862	127,152	127,152
Financial assets at fair value through other comprehensive income				
Trade receivables	2,265,310	1	-	-
Other financial assets	-	-	117,872	117,872
Derivatives for hedging purposes				
Other financial assets	23,192	23,192	155,048	155,048
Assets at amortized cost				
Financial assets at amortized cost				
Cash and cash equivalents	8,487,563	1	-	-
Deposits held by financial institutions	26,386	1	195,189	1
Trade receivables	6,903,227	1	109,029	109,029
Other receivables	595,793	1	1,779,637	1,717,168
Other assets				
Trade receivables	96,485	1	530,410	530,410
Total	18,476,818		3,014,337	

<i>(in millions of Korean won)</i>	December 31, 2023			
	Current		Non-current	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities at fair value				
Financial liabilities at fair value through profit or loss				
Other financial liabilities	9,177	9,177	8,985	8,985
Derivatives for hedging purposes				
Other financial liabilities	-	-	43,769	43,769
Liabilities at amortized cost				
Financial liabilities at amortized cost				
Trade payables	9,427,288	1	-	-
Borrowings	2,601,636	1	10,719,175	10,466,597
Other payables	4,624,046	1	212,648	210,745
Other liabilities				
Lease liabilities	336,772	2	856,251	2
Other financial liabilities	115	3	-	-
Total	16,999,034		11,840,828	

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

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

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

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(b) Fair value measurements of assets and liabilities

i) Fair value hierarchy and measurement method

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

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

- Level 1: Financial instruments measured at the quoted prices in an active market for identical assets or liabilities are included in 'level 1'. Assets or liabilities categorized within 'level 1' are financial instruments such as listed equity securities and others.

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

- Level 3: When financial instruments are measured by using discounted cash flow method, if one or more of the significant inputs are unobservable market data, the instrument is included in 'level 3'. Assets or liabilities categorized as 'level 3' at fair value are equity and debt securities that are not marketable.

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

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

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

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ii) Financial instruments measured at fair value

Fair value hierarchy classifications of the financial assets and financial liabilities that are measured at fair value as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Other financial assets and others				
Financial assets at fair value through other comprehensive income	54,374	-	101,674	156,048
Financial assets at fair value through profit or loss	2,257	33,102	154,015	189,374
Derivatives for hedging purposes	-	168,025	-	168,025
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	5,750	7,893	13,643
Derivatives for hedging purposes	-	72,502	-	72,502
<i>(in millions of Korean won)</i>	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets				
Other financial assets and others				
Financial assets at fair value through other comprehensive income	30,668	-	87,204	117,872
Financial assets at fair value through profit or loss	74,750	7,197	124,067	206,014
Derivatives for hedging purposes	-	178,240	-	178,240
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	-	11,634	6,528	18,162
Derivatives for hedging purposes	-	43,769	-	43,769

The above fair value amounts are recurring fair value measurements.

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

Valuation technique and inputs for fair value measurements categorized within level 2 as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	Fair value		Valuation techniques	Inputs
	September 30, 2024	December 31, 2023		
Assets				
Other financial assets and others				
Financial assets at fair value through profit or loss	33,102	7,197	Discounted cash flow and binomial model	Discount rate and exchange rate share price and volatility
Derivatives for hedging purposes	168,025	178,240	Discounted cash flow	Discount rate and exchange rate
Liabilities				
Other financial liabilities				
Financial liabilities at fair value through profit or loss	5,750	11,634	Discounted cash flow and binomial model	Discount rate and exchange rate share price and volatility
Derivatives for hedging purposes	72,502	43,769	Discounted cash flow	Discount rate and exchange rate

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

As of September 30, 2024, financial instruments measured at fair value categorized within 'level 3' comprise unmarketable equity securities, debt securities and other financial liabilities are measured using discounted cash flow method considering discount rate and others as inputs.

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

Financial instruments not measured at fair value but for which the fair value is disclosed as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024			
	Level 1	Level 2	Level 3	Total
Assets				
Non-current trade receivables	-	-	1,403,799	1,403,799
Non-current other receivables	-	-	1,228,195	1,228,195
Liabilities				
Non-current borrowings	-	-	11,629,251	11,629,251
Non-current other payables	-	-	228,599	228,599

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<i>(in millions of Korean won)</i>	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Assets				
Non-current trade receivables	-	-	639,439	639,439
Non-current other receivables	-	-	1,717,168	1,717,168
Liabilities				
Non-current borrowings	-	-	10,466,597	10,466,597
Non-current other payables	-	-	210,745	210,745

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

As of September 30, 2024, there are no financial instruments that are not measured at fair value but for which the fair value is disclosed and categorized within level 2.

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

Valuation technique, inputs and unobservable inputs of financial instruments that are not measured at fair value but for which the fair value is disclosed and categorized within 'level 3' as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024		December 31, 2023		Valuation techniques	Inputs	Significant but unobservable inputs	Range of significant but unobservable inputs
	Carrying amount	Fair value	Carrying amount	Fair value				
Assets								
Non-current trade receivables	1,403,799	1,403,799	639,439	639,439	Discounted cash flow	Discount rate and exchange rate	Discount rate	5.3% ~ 6.1%
Non-current other receivables	1,283,919	1,228,195	1,779,637	1,717,168	Discounted cash flow	Discount rate and exchange rate	Discount rate	1.7% ~ 11.2%
Liabilities								
Non-current borrowings	11,255,548	11,629,251	10,719,175	10,466,597	Discounted cash flow	Discount rate and exchange rate	Discount rate	3.1% ~ 4.3%
Non-current other payables	229,959	228,599	212,648	210,745	Discounted cash flow	Discount rate and exchange rate	Discount rate	3.2% ~ 4.2%

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31. Assets Classified as Held for Sale

(a) Details of assets classified as held for sale as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024¹	December 31, 2023²
Assets held for sale		
Land	567	663
Building	2,992	3,287
Machinery	-	198
Other property, plant and equipment	7	7
Total	3,566	4,155

¹ Disposal of listed items is in progress as of September 30, 2024 and expected to be completed within 2024.

² For the nine-month period ended September 30, 2024, disposal of machinery was completed and disposal of land and buildings held by the Group is in progress.

(b) Assets held for sale were measured at net fair value before the reclassification, and there is no impairment loss on property, plant and equipment recognized for the nine-month period ended September 30, 2024.

(c) Details of other components of equity as held for sale as of September 30, 2024 and December 31, 2023 are as follows:

<i>(in millions of Korean won)</i>	September 30, 2024	December 31, 2023
Exchange differences on translation of foreign operations	(370)	(136)

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32. Discontinued Operation

The Group discontinued the operations of energy business and battery pack business in 2022 and 2024, respectively, in order to focus on the Group's core business through firmwide resource efficiency enhancement and to secure financial resources for preparing new business for future growth by improving its financial structure.

(a) Profit and loss from discontinued operations for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Net sales	97	1,595,702
Operating profit (loss)	(342,731)	(103,013)
Profit (loss) before income tax	(374,171)	(132,811)
Income tax expense (benefit)	(101,785)	(33,592)
Profit (loss) for the period, net of tax	(272,386)	(99,219)

(b) Cash flows from discontinued operations for each of the nine-month periods ended September 30, 2024 and 2023 are as follows:

<i>(in millions of Korean won)</i>	Nine-month period ended September 30, 2024	Nine-month period ended September 30, 2023
Net cash inflow (outflow) from operating activities	(2,484)	(286,118)
Net cash inflow (outflow) from investing activities	13,497	181
Net cash inflow (outflow) from financing activities	(11,013)	285,937

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33. Business Combinations

On June 5, 2024, the Group acquired 80.0% of shares in Athom Holding B.V. and its subsidiaries in order to secure and strengthen its smart space business capabilities.

The following table summarizes the consideration paid and the fair value of assets acquired and liabilities assumed:

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

¹ The Group recognized the obligation as a financial liability at the time of the business combination under the conditional purchase agreement for the remaining shares of Athom Holding B.V.

² The fair value of trade and other receivables is equal to their contractual gross amounts.

³ Goodwill amounting to ₩72,111 million is incurred from business combinations due to an increase in sales from integration of business with Athom Holding B.V. and its subsidiaries, which is a non-deductible expense for tax purpose.

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The direct costs incurred for the acquisition in relation to business combination amounting to ₩2,134 million are recognized as expenses as incurred.

The net sales and loss of Athom Holding B.V. and its subsidiaries included in the consolidated statements of profit or loss that occurred from June 5, 2024 (the date of acquisition) is ₩2,322 million and ₩2,325 million, respectively, and if Athom Holding B.V. and its subsidiaries had been included in the consolidated financial statements from January 1, 2024, net sales and profit for the period would have been recognized in the consolidated statements of profit or loss of the Group as follows:

<u>(in millions of Korean won)</u>	<u>Amount before adjustments</u>	<u>Adjustments</u>	<u>Amount after adjustments</u>
Net sales	64,966,707	3,936	64,970,643
Profit for the period	1,305,119	405	1,305,524