

LG Chem, Ltd. and Subsidiaries
Condensed Consolidated Interim Financial Statements
September 30, 2025 and 2024 (Unaudited), and
December 31, 2024

LG Chem, Ltd. and Subsidiaries
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September 30, 2025 and 2024 (Unaudited), and December 31, 2024

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Report on Review of Condensed Consolidated Interim Financial Statements

(English Translation of a Report Originally Issued in Korean)

To the Shareholders and Board of Directors of
LG Chem, Ltd.

Reviewed Financial Statements

We have reviewed the accompanying condensed consolidated interim financial statements of LG Chem, Ltd. and its subsidiaries (collectively referred to as the "Group"). These condensed consolidated interim financial statements consist of the consolidated interim statement of financial position of the Group as at September 30, 2025, and the related consolidated interim income statement, statements of comprehensive income for the three-month and nine-month periods ended September 30, 2025 and 2024, and consolidated interim statement of changes in equity and cash flows for the nine-month periods ended September 30, 2025 and 2024, and material accounting policy information and other selected explanatory notes, expressed in Korean won.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We conducted our review in accordance with quarterly or semi-annual review standards 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 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 the accompanying condensed consolidated interim financial statements are not presented fairly, in all material respects, in accordance with Korean IFRS 1034 *Interim Financial Reporting*.

Other Matters

We have audited the consolidated statement of financial position of the Group as at December 31, 2024, and the related consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended, not presented herein, in accordance with Korean Standards on Auditing. We expressed an unqualified opinion on those financial statements in our audit report dated March 7, 2025. The consolidated statement of financial position as at December 31, 2024, presented herein for comparative purposes, is consistent, in all material respects, with the above audited statement of financial position as at December 31, 2024.

Review standards and their application in practice vary among countries. The procedures and practices used in the Republic of Korea to review such financial statements may differ from those generally accepted and applied in other countries.

November 14, 2025
Seoul, Korea

This report is effective as of November 14, 2025, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that there is a possibility that the above review report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Statements of Financial Position
September 30, 2025 and December 31, 2024

<i>(in millions of Korean won)</i>	Notes	September 30, 2025 (Unaudited)	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents	3, 5, 6	₩ 8,589,968	₩ 7,854,877
Trade receivables	3, 5, 7, 31	7,710,492	8,166,047
Other receivables	3, 5, 7, 31	811,464	1,117,359
Other current financial assets	3, 5, 8	230,370	219,845
Prepaid income taxes		228,722	127,219
Other current assets	13	1,451,278	1,482,773
Inventories	9	8,629,148	8,847,433
Assets held for sale	34	399,124	74
Total current assets		28,050,566	27,815,627
Non-current assets			
Trade receivables	3, 5, 7	188,980	392,585
Other receivables	3, 5, 7	460,413	450,535
Other non-current financial assets	3, 5, 8	1,977,501	2,439,917
Investments in associates and joint ventures	1, 10, 33	823,360	898,393
Deferred tax assets	28	3,139,175	2,865,593
Property, plant and equipment	11	59,356,920	54,570,446
Intangible assets	12	3,451,723	3,619,361
Investment properties	36	95,320	98,187
Other non-current assets	13, 16	931,158	707,118
Total non-current assets		70,424,550	66,042,135
Total assets		₩ 98,475,116	₩ 93,857,762
Liabilities			
Current liabilities			
Trade payables	3, 5, 31	₩ 3,477,634	₩ 3,681,898
Other payables	3, 5, 31	6,267,487	7,024,302
Borrowings	3, 5, 14	11,860,021	7,621,059
Other current financial liabilities	3, 5, 8	577,926	352,269
Provisions	15	943,385	1,054,559
Income tax payables		111,121	184,428
Other current liabilities	17, 35	1,482,749	1,167,202
Liabilities held for sale	34	17,220	-
Total current liabilities		24,737,543	21,085,717
Non-current liabilities			
Other payables	3, 5	43,174	31,065
Borrowings	3, 5, 14	21,727,469	19,755,038
Other non-current financial liabilities	3, 5, 8	2,241,926	1,043,099
Provisions	15	1,067,827	800,168
Net defined benefit liabilities	13, 16	36,876	9,788
Deferred tax liabilities	28	340,175	432,942
Other non-current liabilities	17, 35	2,051,638	2,704,482
Total non-current liabilities		27,509,085	24,776,582
Total liabilities		₩ 52,246,628	₩ 45,862,299

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Statements of Financial Position
September 30, 2025 and December 31, 2024

<i>(in millions of Korean won)</i>	Notes	September 30, 2025 (Unaudited)	December 31, 2024
Equity			
Issued capital	1, 19	391,406	391,406
Capital surplus	19	11,569,121	11,568,870
Elements of other stockholders equity	21	(19,569)	(19,569)
Accumulated other comprehensive income		2,325,996	2,751,299
Retained earnings	20	18,090,837	18,592,174
Equity attributable to owners of the Parent Company		<u>32,357,791</u>	<u>33,284,180</u>
Non-controlling interests		13,870,697	14,711,283
Total equity		<u>46,228,488</u>	<u>47,995,463</u>
Total liabilities and equity		<u>₩ 98,475,116</u>	<u>₩ 93,857,762</u>

The above consolidated interim statements of financial position should be read in conjunction with the accompanying notes.

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Income Statements
Three-month and nine-month periods Ended September 30, 2025 and 2024

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

	Notes	Period Ended September 30							
		2025		2024					
		(Unaudited)		(Unaudited)					
		Three months	Nine months	Three months	Nine months				
Revenue	22, 31, 33, 35	₩	11,196,170	₩	34,735,033	₩	12,620,267	₩	36,418,365
Cost of sales	22, 23, 31		(8,808,053)		(28,426,733)		(10,352,748)		(30,414,784)
Gross profit			2,388,117		6,308,300		2,267,519		6,003,581
Other operating income	22		365,496		1,313,973		465,974		1,102,722
Selling and administrative expenses	22, 23, 31		(2,073,898)		(6,028,109)		(2,243,987)		(5,970,378)
Operating income	22, 33		679,715		1,594,164		489,506		1,135,925
Finance income	25		(158,847)		1,502,977		126,470		1,234,102
Finance costs	25		(130,146)		(2,008,834)		(76,333)		(1,356,445)
Losses of associates and joint ventures	10		(7,534)		(111,052)		(8,268)		(28,468)
Other non-operating income	26		127,008		692,043		233,010		792,192
Other non-operating expenses	27		(53,062)		(960,246)		(393,771)		(921,201)
Profit before income tax	32		457,134		709,052		370,614		856,105
Income tax benefit (expense)	28		7,331		(85,567)		163,825		11,558
Profit from continuing operations		₩	464,465	₩	623,485	₩	534,439	₩	867,663
Profit (loss) from discontinued operations	34	₩	(17,181)	₩	(27,717)	₩	478,295	₩	546,563
Profit		₩	447,284	₩	595,768	₩	1,012,734	₩	1,414,226
Profit is attributable to:									
Owners of the Parent Company									
Profit (loss) from continuing operations		₩	136,575	₩	(394,794)	₩	67,420	₩	(181,222)
Profit (loss) from discontinued operations			(17,181)		(27,717)		477,284		545,790
			119,394		(422,511)		544,704		364,568
Non-controlling interests									
Profit from continuing operations			327,890		1,018,279		467,019		1,048,885
Profit from discontinued operations			-		-		1,011		773
			327,890		1,018,279		468,030		1,049,658
Earnings (losses) per share for profit attributable to the owners of the Parent Company (in won)									
Basic profit (losses) per ordinary share	29	₩	1,520	₩	(5,398)	₩	6,954	₩	4,653
Basic profit (losses) per preferred share			1,570		(5,398)		7,004		4,703
Earnings (losses) per share for profit from continuing operations attributable to the owners of the Parent Company (in won)									
Basic earnings (losses) per ordinary share	29	₩	1,740	₩	(5,044)	₩	856	₩	(2,315)
Basic earnings (losses) per preferred share			1,790		(5,044)		906		(2,315)

The above consolidated interim income statements should be read in conjunction with the accompanying notes.

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Statements of Comprehensive Income
Three-month and nine-month periods Ended September 30, 2025 and 2024

(in millions of Korean won)

	Notes	Period Ended September 30			
		2025 (Unaudited)		2024 (Unaudited)	
		Three months	Nine months	Three months	Nine months
Profit		₩ 447,284	₩ 595,768	₩ 1,012,734	₩ 1,414,226
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of net defined benefit liabilities	16	(501)	(1,033)	(3,293)	(3,322)
Profit (loss) on valuation of financial assets at fair value through other comprehensive income		77,830	(29,669)	104,936	46,532
Shares of remeasurements of net defined benefit liabilities of associates		-	(2)	-	-
Income tax relating to these items		(24,281)	(3,286)	(17,296)	(842)
<i>Items that may be subsequently reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations		1,153,623	(983,339)	(990,877)	575,106
Cash flow hedge		403	126	127	3,801
Shares of other comprehensive income (loss) of associates and joint ventures		15,182	20,234	(42,879)	(6,227)
Income tax relating to these items		3,230	19,521	2,054	(21,379)
Other comprehensive income (loss) for the period, net of tax		<u>1,225,486</u>	<u>(977,448)</u>	<u>(947,228)</u>	<u>593,669</u>
Total comprehensive income (loss) for the period		<u>₩ 1,672,770</u>	<u>₩ (381,680)</u>	<u>₩ 65,506</u>	<u>₩ 2,007,895</u>
Total comprehensive income (loss) for the period is attributable to:					
Owners of the Parent Company		₩ 910,311	₩ (846,122)	₩ 104,644	₩ 862,318
Non-controlling interest		762,459	464,442	(39,138)	1,145,577

The above consolidated interim statements of comprehensive income should be read in conjunction with the accompanying notes.

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Statements of Changes in Equity
Nine-month periods Ended September 30, 2025 and 2024

(in millions of Korean won)

Notes	Attributable to owners of the Parent Company						Non-controlling interests	Total equity
	Issued capital	Capital surplus	Elements of other stockholders equity	Accumulated other comprehensive income (loss)	Retained earnings	Total		
Balance at January 1, 2024	₩ 391,406	₩ 11,572,098	₩ (19,569)	₩ 598,038	₩ 19,650,632	₩ 32,192,605	₩ 8,745,580	₩ 40,938,185
Comprehensive income								
Profit	-	-	-	-	364,568	364,568	1,049,658	1,414,226
Remeasurements of net defined benefit liabilities	16	-	-	-	(2,273)	(2,273)	(256)	(2,529)
Exchange differences on translation of foreign operations		-	-	-	453,967	-	100,682	554,649
Gain (loss) on valuation of financial assets at fair value through other comprehensive income		-	-	-	45,824	-	(927)	44,897
Cash flow hedge		-	-	-	2,356	-	523	2,879
Others		-	-	-	(2,124)	-	(4,103)	(6,227)
Total comprehensive income for the period		-	-	-	500,023	362,295	1,145,577	2,007,895
Transactions with owners:								
Business combination	37	-	-	-	-	-	201,481	201,481
Dividends	30	-	-	-	(274,347)	(274,347)	(92,953)	(367,300)
Transfer of business		-	-	-	-	-	(8,689)	(8,689)
Increase in paid-in capital of a subsidiary		-	-	-	-	-	3,047,124	3,047,124
Others		-	-	-	-	130	(201,650)	(201,520)
Total transactions with owners		-	-	-	(274,217)	(274,217)	2,945,313	2,671,096
Balance at September 30, 2024 (Unaudited)	₩ 391,406	₩ 11,572,098	₩ (19,569)	₩ 1,098,061	₩ 19,738,710	₩ 32,780,706	₩ 12,836,470	₩ 45,617,176
Balance at January 1, 2025	₩ 391,406	₩ 11,568,870	₩ (19,569)	₩ 2,751,299	₩ 18,592,174	₩ 33,284,180	₩ 14,711,283	₩ 47,995,463
Comprehensive income								
Profit (loss)		-	-	-	(422,511)	(422,511)	1,018,279	595,768
Remeasurements of net defined benefit liabilities	16	-	-	-	(830)	(830)	91	(739)
Exchange differences on translation of foreign operations		-	-	-	(410,471)	-	(553,162)	(963,633)
Loss on valuation of financial assets at fair value through other comprehensive income	8	-	-	-	(32,441)	-	(807)	(33,248)
Cash flow hedge		-	-	-	(49)	-	(11)	(60)
Others		-	-	-	20,181	(1)	52	20,232
Total comprehensive income (loss) for the period		-	-	-	(422,780)	(423,342)	464,442	(381,680)
Transactions with owners:								
Dividends	30	-	-	-	(78,659)	(78,659)	(147,903)	(226,562)
Changes in ownership interest of a subsidiary		-	251	-	-	251	-	251
Increase in paid-in capital of a subsidiary		-	-	-	-	-	1,703,353	1,703,353
Decrease in paid-in capital of a subsidiary		-	-	-	-	-	(1,470,416)	(1,470,416)
Others		-	-	-	(2,523)	664	(1,390,062)	(1,391,921)
Total transactions with owners		-	251	-	(77,995)	(80,267)	(1,305,028)	(1,385,295)
Balance at September 30, 2025 (Unaudited)	₩ 391,406	₩ 11,569,121	₩ (19,569)	₩ 2,325,996	₩ 18,090,837	₩ 32,357,791	₩ 13,870,697	₩ 46,228,488

The above consolidated interim statements of changes in equity should be read in conjunction with the accompanying notes.

LG Chem, Ltd. and Subsidiaries
Consolidated Interim Statements of Cash Flows
Nine-month periods Ended September 30, 2025 and 2024

(in millions of Korean won)	Notes	Period Ended September 30	
		2025 (Unaudited)	2024 (Unaudited)
Cash flows from operating activities			
Cash generated from operations	32	₩ 6,949,497	₩ 3,676,837
Interest received		231,498	258,227
Interest paid		(901,678)	(691,401)
Dividends received		13,207	16,189
Income taxes paid		(601,899)	(474,225)
Net cash inflow from operating activities		5,690,625	2,785,627
Cash flows from investing activities			
Decrease in other receivables		441,516	137,934
Proceeds from disposal of other financial assets		166,237	35,290
Proceeds from disposal of property, plant and equipment		150,110	27,280
Proceeds from disposal of intangible assets		11,284	3,743
Government grants received		62,529	149,210
Cash inflow from business combination		-	59,825
Proceeds from disposal of assets held for sale		-	616
Cash inflow from transfer of business		136,171	652,755
Cash inflow from settlement of derivative instruments		-	4,061
Other cash inflow from investing activities		-	49,963
Increase in other receivables		(232,347)	(90,877)
Acquisition of investments in associates and joint ventures		(25,827)	(7,661)
Acquisition of other financial assets		(93,958)	(458,349)
Acquisition of property, plant and equipment		(10,679,577)	(10,701,869)
Acquisition of intangible assets		(135,304)	(122,792)
Cash outflow from settlement of derivative instruments transactions		-	(18,091)
Other cash outflow from investing activities		-	(153,993)
Net cash outflow from investing activities		(10,199,166)	(10,432,955)
Cash flows from financing activities			
Proceeds from borrowings		17,167,453	9,428,327
Capital contribution from non-controlling interests		1,703,353	3,060,554
Cash inflow from settlement of derivative instruments transactions		127,127	49,480
Repayments of borrowings and others		(11,723,985)	(4,754,568)
Decrease in non-controlling interests		(146,639)	-
Dividends paid		(226,562)	(367,300)
Others		(1,589,755)	(201,580)
Net cash inflow from financing activities		5,310,992	7,214,913
Net Increase (decrease) in cash and cash equivalents			
at the beginning of the period		802,451	(432,415)
Cash and cash equivalents at the beginning of the period		-	23,877
Effects of exchange rate changes on cash and cash equivalents		7,854,877	9,084,899
at the end of the period		(66,988)	172,098
Cash and cash equivalents at the end of the period		₩ 8,589,968	₩ 8,831,906

The above consolidated interim statements of cash flows should be read in conjunction with the accompanying notes.

LG Chem, Ltd. and Subsidiaries

Notes to the Condensed Consolidated Interim Financial Statements

September 30, 2025 and 2024 (Unaudited), and December 31, 2024

1. General Information

General information about LG Chem, Ltd. (the Parent Company) and its 75 subsidiaries (collectively referred to as “the Group”) is as follows:

1.1 The Parent Company

The Parent Company was spun off on April 1, 2001, from LG Chem Investment Ltd. (now LG Corp., formerly LG Chemical Ltd.).

As at September 30, 2025, the Group has its manufacturing facilities in Yeosu, Daesan, Ochang, Cheongju, Naju, Iksan, Osong, Onsan, Gimcheon and overseas sites.

As at September 30, 2025, the Parent Company's capital, including the preferred issued capital of ₩ 38,444 million, is ₩ 391,406 million. The largest shareholder of the Parent Company is LG Corp., which owns 34.95% of the Parent Company's ordinary shares.

The Parent Company is authorized to issue 292 million shares of ordinary shares with par value of ₩5,000 per share. As at September 30, 2025, the Parent Company has 70,592,343 ordinary shares and 7,688,800 preferred shares issued and outstanding. Preferred shareholders have no voting rights but are entitled to receive dividends at a rate of 1% more than those paid to ordinary shareholders.

1.2 Business Overview

The Group is engaged in Petrochemicals, Energy solutions, and Advanced materials business, and also engaged in Life Sciences business acquired through a merger with LG Life Sciences, Ltd. in January 2017. In addition, the Parent Company acquired 100% shares of FarmHannong Co., Ltd., in April 2016, which is engaged to manufacture crop protection products, seeds, fertilizers and others.

The Petrochemical business includes production of olefin petrochemicals, such as ethylene, propylene, butadiene from Naphtha, and aromatic petrochemicals such as benzene. It also includes production of synthetic resin and synthetic components from olefin, and aromatic petrochemicals. This business bears characteristics of a large-volume process industry. The Group's major products are PE, PP, BPA, ABS, EP, PVC, plasticizers, acrylic, SAP, synthetic rubber, a special resin, and others.

LG Energy Solution, Ltd. which was established through the split-off of the Energy solution business from the Parent Company on December 1, 2020, and its subsidiaries mainly manufacture and supply batteries ranging from IT & New application batteries for mobile phones and laptop computers, to automotive batteries for electric vehicles and ESS (Energy Storage System) batteries. Demand of small-sized batteries for new applications such as electric tools and electric driving devices as well as traditional IT devices is increasing recently and the automotive battery business is also expected to expand rapidly due to an increasing demand of the batteries in associated with enhanced environment regulation in developed countries. Demand for ESS is expanding with an increasing importance of efficient usage of electricity and generation of renewable energy.

The advanced material business manufactures and supplies various kinds of IT materials such as automotive material, semiconductor materials, and display and battery materials such as LCD photoresist and cathode materials.

LG Chem, Ltd. and Subsidiaries

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The Life Sciences business manufactures and supplies pharmaceutical products, such as human growth hormone 'Eutropin', diabetes drug 'Zemiglo', bovine somatotropin 'Boostin', hyaluronic acid filler 'YVOIRE' and others, as well as fine chemical products, such as herbicide 'PYANCHOR' for rice farming and others.

FarmHannong Co., Ltd. and its subsidiaries which were acquired by the Group in 2016 to manufacture and sell crop protection products, seeds, fertilizers and others. The crop protection business provides high value products such as environmentally-friendly pesticide. The fertilizer business leads developing next generation fertilizers such as eco-friendly organic and functional fertilizers, and potting soil. The seed business puts priority on retaining various genetic resources and developing rare breeds with high profit in order to remain competitive in a future food industry.

1.3 Consolidated Subsidiaries, Associates and Joint Ventures

	Percentage of ownership		Business location	Closing month	Business activities
	September 30, 2025	December 31, 2024			
Consolidated subsidiaries					
LG Energy Solution, Ltd. ¹	82	82	Korea	December	Battery manufacturing and sales
Ningbo LG Yongxing Chemical Co., Ltd. ²	75	75	China	December	ABS/SBL manufacturing and sales
Ningbo Zhenhai LG Yongxing Trade Co., Ltd. ²	75	75	China	December	ABS sales
LG Chem America, Inc	100	100	USA	December	Sales and trading
LG Chemical India Pvt. Ltd. ^{3,4}	100	100	India	December	Synthetic resin manufacturing and sales
LG Polymers India Pvt. Ltd. ³	100	100	India	December	PS manufacturing and sales
LG Chemical (Guangzhou) Engineering Plastics Co., Ltd.	100	100	China	December	EP manufacturing and sales
LG Chem (Taiwan), Ltd.	100	100	Taiwan	December	Sales and trading
Tianjin LG Bohai Chemical Co., Ltd.	75	75	China	December	PVC, VCM, EDC manufacturing and sales
Tianjin LG BOTIAN Chemical Co., Ltd.	58	58	China	December	SBS manufacturing and sales
LG Chem (China) Investment Co., Ltd. ⁵	100	100	China	December	China holding company
LG Chem (Tianjin) Engineering Plastics Co., Ltd.	100	100	China	December	EP manufacturing and sales
LG Chem Europe GmbH	100	100	Germany	December	Sales and trading
LG Chem Poland Sp. z o.o.	100	100	Poland	December	EP manufacturing and sales
LGC Petrochemical India Private Ltd.	100	100	India	December	Synthetic resin manufacturing and sales
HAENGBOKNURI CO., LTD.	100	100	Korea	December	Facility management and general cleaning
LG CHEM TK Kimya SANAYI VE TIC. Ltd. STI.	100	100	Turkey	December	Sales and trading
LG Chem Japan Co., Ltd.	100	100	Japan	December	Sales and trading
LG NanoH2O, LLC ¹⁶	100	100	USA	December	Water processing membrane sales
LG Chem (Chongqing) Engineering Plastics Co., Ltd.	100	100	China	December	EP manufacturing and sales
LG Chem(HUIZHOU) Petrochemical Co., Ltd.	70	70	China	December	ABS manufacturing and sales
LG Chem Life Sciences India Pvt. Ltd.	100	100	India	December	Pharmaceutical products sales
LG Jiansheng Chem Life Sciences (Beijing) Co., Ltd. ⁶	100	100	China	December	Pharmaceutical products sales
LG Chem Life Sciences (Thailand) Ltd.	100	100	Thailand	December	Pharmaceutical products sales
LG Chem Hai Phong Vietnam Company Ltd.	100	100	Vietnam	December	Polarizer manufacturing and sales
LG Chem Mexico S.A. de C.V.	100	100	Mexico	December	Sales and trading

LG Chem, Ltd. and Subsidiaries
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	Percentage of ownership		Business location	Closing month	Business activities
	September 30, 2025	December 31, 2024			
LG Chem Hai Phong engineering Plastics LLC.	100	100	Vietnam	December	EP manufacturing and sales
LG Chem (Guangzhou) Information & Electronics Materials Co., Ltd.	100	100	China	December	OLED manufacturing and sales
LEYOU NEW ENERGY MATERIALS(WUXI) Co., LTD.	51	51	China	December	Battery materials manufacturing and sales
LG Chem Fund I LLC ⁷	100	100	USA	December	Investments in venture companies
Uniseal, Inc.	100	100	USA	December	Adhesive manufacturing and sales
LG Chem Life Sciences USA Inc. ^{8,9}	100	100	USA	December	Pharmaceutical products research
LG Chem Asia Pte. Ltd.	100	100	Singapore	December	Asia BSC
LG Chem China Tech Center ⁵	100	100	China	December	Research on petrochemicals
LG PETRONAS Chemicals Malaysia Sdn.Bhd. ¹⁰	51	51	Malaysia	December	NBL manufacturing and sales
LG-HY BCM CO., LTD.	51	51	Korea	December	Battery materials manufacturing and sales
LG Chem Ohio Petrochemical, Inc.	100	100	USA	December	ABS manufacturing and sales
LG Chem VietNam Co., Ltd.	100	100	Vietnam	December	Sales and trading
LG Chem Malaysia SDN.BHD.	100	100	Malaysia	December	Sales and trading
LG Chem BRASIL INTERMEDIACAO DE NEGOCIOS DO SETOR QUIMICO LTDA.	100	100	Brazil	December	Sales and trading
Aveo Pharmaceuticals, Inc. ⁹	100	100	USA	December	Anticancer drug sales and research
PT LG CHEM INDONESIA	100	100	Indonesia	December	Sales and trading
TW Biomassenergy Co., Ltd	60	60	Korea	December	Plant utility manufacturing and sales
LG Chem America Advanced Materials, Inc. ¹¹	100	100	USA	December	Battery materials manufacturing and sales
LG-Eni Biorefining Co., Ltd ¹²	51	51	Korea	December	Bio-fuel manufacturing and sales
LG CHEM COLOMBIA S.A.S ¹³	100	-	Colombia	December	Sales and trading
FarmHannong Co., Ltd. ¹⁴	100	100	Korea	December	Agricultural pesticide manufacturing and sales
Farmhannong America, Inc. ¹⁴	100	100	USA	December	Agricultural pesticide sales
FarmHannong(Thailand) Ltd. ¹⁵	-	100	Thailand	December	Research and development ("R&D") on seeds
FARMHANNONG(MALAYSIA) SDN. BHD. ¹⁴	100	100	Malaysia	December	Agricultural pesticide licensing
PT FARM HANNONG INDONESIA ¹⁴	100	100	Indonesia	December	Agricultural pesticide licensing
FarmHannong do Brasil Limitada ¹⁴	100	100	Brazil	December	Agricultural pesticide sales
LG Energy Solution (Nanjing) Co., Ltd. ¹	82	82	China	December	Small-battery manufacturing and sales
LG Energy Solution Michigan Inc. ¹	82	82	USA	December	Automotive battery research and manufacturing
LG Energy Solution Battery (Nanjing) Co., Ltd. ¹	82	82	China	December	Automotive battery manufacturing and sales
LG Energy Solution Wroclaw sp. z o.o. ¹	82	82	Poland	December	Automotive battery manufacturing and sales
LG Energy Solution Australia Pty Ltd ¹	82	82	Australia	December	ESS sales
LG Energy Solution Technology (Nanjing) Co., Ltd. ¹	82	82	China	December	Automotive battery manufacturing and sales
Ultium Cells Holdings LLC ^{1,26}	41	41	USA	December	Automotive battery manufacturing and sales
Ultium Cells LLC ^{1,26}	41	41	USA	December	Automotive battery manufacturing and sales
LG Energy Solution Europe GmbH ¹	82	82	Germany	December	ESS sales
LG Energy Solution (Taiwan), Ltd. ¹	82	82	Taiwan	December	Small-storage battery sales
Aremnuri. Co. Ltd ¹	82	82	Korea	December	Facility management and general cleaning
LG Energy Solution Fund I LLC ¹	82	82	USA	December	Investments in venture companies

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	Percentage of ownership		Business location	Closing month	Business activities
	September 30, 2025	December 31, 2024			
LG Energy Solution Vertech Inc. ¹	82	82	USA	December	ESS installation service
LG Energy Solution Arizona, Inc. ¹	82	82	USA	December	Small-battery manufacturing and sales
Baterias De Castilla, S.L. ¹	82	82	Spain	December	Special purpose company
L-H Battery Company, Inc. ¹	42	42	USA	December	Automotive battery manufacturing and sales
LG Energy Solution India Private Limited ¹	82	82	India	December	Small-battery sales
LG Energy Solution Arizona ESS, Inc. ¹	82	82	USA	December	ESS Manufacturing and sales
Nextstar Energy Inc. ¹	42	42	Canada	December	Automotive battery manufacturing and sales
LG Energy Solution Fund II LLC ¹	82	82	USA	December	Investments in venture companies
HL-GA BATTERY COMPANY LLC ^{1,17}	41	41	USA	December	Automotive battery manufacturing and sales
LG Energy Solution Japan Co., Ltd. ^{1,18}	82	82	Japan	December	ESS sales
PT. HLI Green Power ^{1,20}	41	41	Indonesia	December	Automotive battery manufacturing and sales
LG Energy Solution China Co., Ltd. ^{1,19}	82	-	China	December	Special purpose company
Associates					
TECHWIN Co., Ltd.	20	20	Korea	December	Environment solution and construction of chemical plant
LG Chem Life Sciences Poland Ltd. ²⁷	100	100	Poland	December	Pharmaceutical products sales
HUAJIN NEW ENERGY MATERIALS(QUZHOU)CO., LTD.	49	49	China	December	Battery materials manufacturing and sales
TL Chemical CO., Ltd	40	40	Korea	December	AN manufacturing and sales
KOREA PRECURSOR CO., LTD.	49	49	Korea	December	Battery materials manufacturing and sales
Sam-a Aluminium Company, Limited ^{1,21}	8	8	Korea	December	Aluminum sales and manufacturing
NEXPO Co., Ltd ^{1,21}	16	16	Korea	December	Battery products manufacturing and sales
Bricks Capital Management Global Battery Private Equity Fund I ^{1,22}	49	49	Korea	December	Collective investment scheme
Jeju Bukchon BESS Plant Co.,Ltd. ^{1,23}	8	-	Korea	December	Renewable energy services industry
PT LBM Energi Baru Indonesia ^{1,24}	16	-	Indonesia	December	Secondary battery materials manufacturing and sales
Joint ventures ²⁵					
SEETEC Co., Ltd.	50	50	Korea	December	Plant utility and distribution, research assistance service
LG Toray Hungary Battery Separator Kft.	50	50	Hungary	December	Battery separator manufacturing and sales

¹ As at September 30, 2025, LG Energy Solution, Ltd. owns shares in subsidiaries, associates and joint ventures, such as LG Energy Solution (Nanjing) Co., Ltd. and others, and the Group has stated the shares of those companies as effective share ratio.

² As at September 30, 2025, Ningbo LG Yongxing Chemical Co., Ltd. owns 100% of Ningbo Zhenhai LG Yongxing Trade Co.'s shares.

³ As at September 30, 2025, LG Chemical India Pvt. Ltd. owns 100% of LG Polymers India Pvt. Ltd.'s shares.

⁴ During the nine-month period ended September 30, 2025, the Group additionally acquired shares of LG Chemical India Pvt. Ltd. for ₩ 34,818 million.

⁵ As at September 30, 2025, LG Chem (China) Investment Co., Ltd. owns 100% of LG Chem China Tech Center's shares.

⁶ During the year ended December 31, 2024, the Group acquired ₩ 2,499 million of additional interest of LG Jiansheng Life Sciences (Beijing) Co., Ltd. and the ownership ratio has increased to 100%. During the nine-month period ended September 30, 2025, the Group decided to dispose all shares of Jiansheng Life Sciences (Beijing) Co., Ltd. As a result, the related assets and liabilities were classified as assets held for sale.

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- ⁷ During the nine-month period ended September 30, 2025, the Group additionally acquired shares of LG CHEM FUND I LLC for ₩ 1,673 million.
- ⁸ During the year ended December 31, 2024, LG Chem Life Science Innovation Center, Inc. changed its name to LG Chem Life Sciences USA Inc.
- ⁹ As at September 30, 2025, LG Chem Life Sciences USA Inc. owns 100% of the shares of Aveo Pharmaceuticals, Inc.
- ¹⁰ During the nine-month period ended September 30, 2025, the Group additionally acquired shares of LG PETRONAS Chemicals Malaysia Sdn.Bhd. for ₩ 30,152 million.
- ¹¹ During the year ended December 31, 2024, LG Chem America Advanced Materials, Inc. was established, and during the nine-month period ended September 30, 2025, the Group has additionally acquired shares for ₩ 575,940 million.
- ¹² During the year ended December 31, 2024, LG-Eni Biorefining Co., Ltd was established, and during the nine-month period ended September 30, 2025, the Group has additionally acquired shares for ₩ 55,029 million.
- ¹³ During the nine-month period ended September 30, 2025, LG CHEM COLOMBIA S.A.S was established, and the Group has newly acquired a 100 % interest for ₩ 154 million.
- ¹⁴ As at September 30, 2025, FarmHannong Co., Ltd. owns 100% of Farmhannong America, Inc., FARMHANNONG(MALAYSIA) SDN.BHD., PT FARM HANNONG INDONESIA and FarmHannong do Brasil Limitada's shares.
- ¹⁵ During the nine-month period ended September 30, 2025, FarmHannong(Thailand) Ltd. was liquidated.
- ¹⁶ During the nine-month period ended September 30, 2025, the Group decided to dispose all shares of LG NanoH2O, Inc. As a result, the related assets and liabilities were classified as assets held for sale.
- ¹⁷ Although the Group has less than a majority ownership interest in HL-GA Battery Company LLC, it is considered to have control over HL-GA Battery Company LLC as the Group can exercise the majority voting rights in its decision-making process and has the ability to use power to affect the returns of the investee through its involvement in the production and cost management and other activities in accordance with the shareholders' agreement.
- ¹⁸ During the year ended December 31, 2024, LG Energy Solution Japan Co., Ltd. was established, and LG Energy Solution has newly acquired a 100% interest for ₩ 535 million.
- ¹⁹ During the nine-month period ended September 30, 2025, LG Energy Solution China Co., Ltd. was established, and LG Energy Solution has newly acquired a 100% interest for ₩ 14,174 million.
- ²⁰ During the year ended December 31, 2024, PT. HLI Green Power was newly included in the consolidation. Although the Group's ownership is less than a majority ownership interest, it is considered to have control as the Group can exercise the majority voting rights in its decision-making process and has the ability to use power to affect the returns of the investee through its involvement in the production and cost management and other activities in accordance with the shareholder's agreement.
- ²¹ Although the ownership interest is less than 20%, the Group can participate in its decision-making process in accordance with the shareholders' agreement. Therefore, it is determined to have a significant influence.
- ²² Although the Group's ownership interest in the limited partnership is more than 50%, since the consent of all equity participants is required for major decisions, the Group determine that the Group has not control over the limited partnership and has classified it as an associate.
- ²³ During the nine-month period ended September 30, 2025, LG Energy Solution has newly acquired a 10% interest in Jeju Bukchon BESS Plant Co., Ltd. for ₩ 900 million. Although the Group's ownership interest in Jeju Bukchon BESS Plant Co.,Ltd. is less than 20%, the Group has a significant influence since the Group can participate in its decision-making process in accordance with shareholder's agreement.
- ²⁴ During the nine-month period ended September 30, 2025, LG Energy Solution has newly acquired a 20% interest in PT LBM Energi Baru Indonesia for ₩ 22,107 million.

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²⁵ All joint arrangements over which the Group has joint control are classified as a joint venture since the joint arrangements are structured through a separate vehicle and the parties have rights to the net assets of the arrangement.

²⁶ Although the Group's ownership stake in Ultium Cells LLC and Ultium Cells Holdings LLC is less than a majority, it is considered to have the control. This is because it can exercise the majority voting rights in its decision-making process and the ability to use power to affect the returns of the investee through its involvement in the production and cost management and other activities in accordance with the shareholders' agreement.

²⁷ Classified as an investment in associate due to its small size.

1.4 Changes in Scope for Consolidation

Subsidiaries newly included in the consolidation for the nine-month period ended September 30, 2025, are as follows:

Subsidiary	Reason
LG CHEM COLOMBIA S.A.S	Newly established
LG Energy Solution China Co., Ltd.	Newly established

A subsidiary excluded from the consolidation for the nine-month period ended September 30, 2025, is as follows:

Subsidiary	Reason
FarmHannong(Thailand) Ltd.	Liquidated

2. Material Accounting Policies

The principal accounting policies applied in the preparation of these condensed consolidated interim financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of Preparation

The Group maintains its accounting records in Korean won and prepares statutory financial statements in the Korean language (Hangul) in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS). The accompanying condensed consolidated interim financial statements have been condensed, restructured and translated into English from the Korean language financial statements.

The Group's condensed consolidated interim financial statements for the nine-month period ended September 30, 2025, have been prepared in accordance with Korean IFRS 1034 *Interim Financial Reporting*. Therefore, these condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements as at December 31, 2024.

2.1.1 New and amended standards and interpretations adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2025.

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

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When an entity estimates a spot exchange rate because exchangeability between two currencies is lacking, the entity shall disclose related information. The amendments do not have a significant impact on the financial statements.

2.1.2 New standards and interpretations not yet adopted by the Group

The following new accounting standards and interpretations had been issued but were not mandatory for annual reporting periods ending on December 31, 2025.

(a) Amendments to Korean IFRS 1109 Financial Instruments, Korean IFRS 1107 Financial Instruments: Disclosures

Korean IFRS 1109 Financial Instruments and Korean IFRS 1107 Financial Instruments: Disclosures have been amended to respond to recent questions arising in practice, and to include new requirements. The amendments should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group is in review for the impact of these amendments on the financial statements. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures of impact on the entity and the extent to which the entity is exposed for each type of financial instruments if the timing or amount of contractual cash flow changes due to amendment of contract term; and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

(b) Annual Improvements to Korean IFRS -Volume 11

Annual Improvements to Korean IFRS -Volume 11 should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group does not expect the amendments to have a significant impact on the financial statements.

- Korean IFRS 1101 *First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter*
- Korean IFRS 1107 *Financial Instruments: Disclosures: Gain or loss on derecognition and implementation guidance*
- Korean IFRS 1109 *Financial Instruments: Derecognition of lease liabilities and definition of transaction price*
- Korean IFRS 1110 *Consolidated Financial Statements: Determination of a 'de facto agent'*
- Korean IFRS 1007 *Statement of Cash Flows: Cost method*

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2.2 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.

The Group is within the scope of the Pillar Two model rules. The Group recognized an additional income tax expense in relation to the rules and applied the exception to recognizing and disclosing information about deferred tax and assets and liabilities related to Pillar Two income Taxes.

3. Financial Risk Management

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group's finance team under policies approved by the Corporate Management Committee. The finance team identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Corporate Management Committee reviews and approves written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, investment of excess liquidity.

(a) Market risk

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities.

Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The Group manages maximum loss for currency risk exposures within acceptable range by using currency risk management model and hires employees who are exclusively responsible for currency risk management. This foreign exchange exposure is primarily managed through borrowings and other financial instruments denominated in the relevant foreign currency.

As at September 30, 2025 and December 31, 2024, the Group's monetary assets and liabilities denominated in currencies other than its functional currency, are as follows:

	<i>(in millions of Korean won)</i>			
	September 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
USD	₩ 6,262,326	₩ 16,235,493	₩ 6,798,800	₩ 14,238,401
EUR	411,633	3,888,319	569,793	3,784,316
JPY	44,130	84,785	61,091	170,608
CNY and others	206,297	123,405	54,780	122,784

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As at September 30, 2025 and December 31, 2024, if the Group's functional currency had weakened / strengthened by 10% against the US dollar and other currencies with all other variables held constant, profit before income tax would have been affected as follows:

(in millions of Korean won)	September 30, 2025				December 31, 2024			
	10% Increase		10% Decrease		10% Increase		10% Decrease	
USD	₩	(937,479)	₩	937,479	₩	(654,208)	₩	654,208
EUR		(316,279)		316,279		(293,859)		293,859
JPY		(4,065)		4,065		(10,874)		10,874
CNY and others		9,837		(9,837)		20,569		(20,569)

The above sensitivity analysis has been performed for monetary assets and liabilities denominated in foreign currencies other than the Group's functional currency at the reporting date.

As at September 30, 2025 and December 31, 2024, the Group entered into foreign currency forward and currency swap contracts to manage risk from changes in exchange rates and the details are as follows:

(in millions of Korean won and in millions of US dollars)

		September 30, 2025					
		Contract amount	Contract exchange rate	Contract inception date	Contract maturity	Book amount	
						Assets	Liabilities
Currency Forward	KB Kookmin Bank	USD 500	1,102.83	2020.11.24	2029.4.16	₩ 110,940	₩ -
Currency swap	KDB	USD 35	1,135.60	2021.6.24	2026.6.24	9,862	-
	Shinhan Bank	USD 300	1,131.80	2021.7.7	2026.7.7	75,228	-
	Woori Bank	USD 100	1,131.80	2021.7.7	2026.7.7	25,157	-
	Industrial and Commercial Bank of China	USD 100	1,131.80	2021.7.7	2026.7.7	25,242	-
	Shinhan Bank	USD 100	1,131.80	2021.7.7	2031.7.7	18,752	-
	Woori Bank	USD 200	1,131.80	2021.7.7	2031.7.7	37,943	-
	KDB	USD 200	1,131.80	2021.7.7	2031.7.7	37,993	-
	Shinhan Bank	USD 110	1,289.70	2022.6.15	2027.6.15	11,555	-
	Shinhan Bank	USD 100	1,233.40	2023.1.26	2026.1.26	17,119	-
	KDB	USD 100	1,233.40	2023.1.26	2026.1.26	17,180	-
	JP Morgan	USD 200	1,337.60	2023.09.25	2026.09.25	12,366	-
	Shinhan Bank	USD 200	1,337.60	2023.09.25	2026.09.25	12,241	-
	KDB	USD 400	1,337.60	2023.09.25	2028.09.25	20,768	-
	Woori Bank	USD 200	1,337.60	2023.09.25	2028.09.25	10,386	-
	DBS	USD 200	1,380.80	2024.07.02	2027.07.02	6,118	-
	JP Morgan	USD 200	1,380.80	2024.07.02	2027.07.02	6,311	-
	Shinhan Bank	USD 300	1,380.80	2024.07.02	2027.07.02	9,302	-
	KB Kookmin Bank	USD 200	1,380.80	2024.07.02	2029.07.02	5,788	-

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(in millions of Korean won and in millions of US dollars)

September 30, 2025						
Contractor	Contract amount	Contract exchange rate	Contract inception date	Contract maturity	Book amount	
					Assets	Liabilities
Woori Bank	USD 200	1,380.80	2024.07.02	2029.07.02	5,797	-
The Export-Import Bank of Korea	USD 200	1,380.80	2024.07.02	2029.07.02	5,725	-
IBK	USD 100	1,380.80	2024.07.02	2029.07.02	2,815	-
KDB	USD 100	1,380.80	2024.07.02	2029.07.02	2,843	-
KDB	USD 400	1,380.80	2024.07.02	2034.07.02	-	5,459
Woori Bank	USD 100	1,380.80	2024.07.02	2034.07.02	-	1,376
KEB HANA Bank	USD 200	1,471.70	2025.04.02	2028.04.02	-	10,570
JP Morgan	USD 100	1,471.70	2025.04.02	2028.04.02	-	5,432
SMBC	USD 100	1,471.70	2025.04.02	2028.04.02	-	5,443
Shinhan Bank	USD 200	1,471.70	2025.04.02	2030.04.02	-	14,919
Woori Bank	USD 100	1,471.70	2025.04.02	2030.04.02	-	7,435
KDB	USD 500	1,471.70	2025.04.02	2030.04.02	-	24,103
Shinhan Bank	USD 100	1,471.70	2025.04.02	2030.04.02	-	4,888
Woori Bank	USD 200	1,471.70	2025.04.02	2035.04.02	-	16,467
HANWHA INVESTMENT & SECURITIES	USD 200	1,471.70	2025.04.02	2035.04.02	-	16,423
KEB HANA Bank	USD 100	1,471.70	2025.04.02	2035.04.02	-	8,187
KB Kookmin Bank	USD 100	1,471.70	2025.04.02	2035.04.02	-	8,337
Credit Agricole	USD 50	1,471.70	2025.04.02	2035.04.02	-	4,007
KDB	USD 50	1,471.70	2025.04.02	2035.04.02	-	4,113

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		December 31, 2024							
		Contract amount	Contract exchange rate	Contract inception date	Contract maturity	Book amount			
Contractor						Assets	Liabilities		
Currency Forward	KB Kookmin Bank	USD 500	1,102.83	2020.11.24	2029.4.16	₩	118,088	₩	-
	Currency swap	KDB	USD 130	1,135.60	2021.6.24	2025.6.24		45,025	-
	KDB	USD 35	1,135.60	2021.6.24	2026.6.24		12,891		-
	Shinhan Bank	USD 300	1,131.80	2021.7.7	2026.7.7		88,419		-
	Woori Bank	USD 100	1,131.80	2021.7.7	2026.7.7		29,589		-
	Industrial and Commercial Bank of China	USD 100	1,131.80	2021.7.7	2026.7.7		29,778		-
	Shinhan Bank	USD 100	1,131.80	2021.7.7	2031.7.7		20,241		-
	Woori Bank	USD 200	1,131.80	2021.7.7	2031.7.7		40,936		-
	KDB	USD 200	1,131.80	2021.7.7	2031.7.7		41,000		-
	KDB	USD 250	1,289.70	2022.6.15	2025.6.15		45,444		-
	Shinhan Bank	USD 110	1,289.70	2022.6.15	2027.6.15		18,916		-
	The Export-Import Bank of Korea	USD 200	1,305.90	2022.7.14	2025.7.14		32,848		-
	Shinhan Bank	USD 100	1,305.90	2022.7.14	2025.7.14		16,492		-
	KDB	USD 200	1,233.40	2023.1.26	2025.1.26		48,769		-
	Shinhan Bank	USD 100	1,233.40	2023.1.26	2026.1.26		23,807		-
	KDB	USD 100	1,233.40	2023.1.26	2026.1.26		23,928		-
	JP Morgan	USD 200	1,337.60	2023.9.25	2026.9.25		26,287		-
	Shinhan Bank	USD 200	1,337.60	2023.9.25	2026.9.25		25,771		-
	KDB	USD 400	1,337.60	2023.9.25	2028.9.25		39,389		-
	Woori Bank	USD 200	1,337.60	2023.9.25	2028.9.25		19,699		-
	DBS	USD 200	1,380.80	2024.7.2	2027.7.2		19,530		-
	JP Morgan	USD 200	1,380.80	2024.7.2	2027.7.2		19,639		-
	Shinhan Bank	USD 300	1,380.80	2024.7.2	2027.7.2		28,677		-
	KB Kookmin Bank	USD 200	1,380.80	2024.7.2	2029.7.2		15,143		-
	Woori Bank	USD 200	1,380.80	2024.7.2	2029.7.2		15,142		-
	The Export-Import Bank of Korea	USD 200	1,380.80	2024.7.2	2029.7.2		15,113		-
	IBK	USD 100	1,380.80	2024.7.2	2029.7.2		7,482		-
	KDB	USD 100	1,380.80	2024.7.2	2029.7.2		7,507		-
	KDB	USD 400	1,380.80	2024.7.2	2034.7.2		10,243		-
	Woori Bank	USD 100	1,380.80	2024.7.2	2034.7.2		2,566		-

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Price risk

The Group is exposed to equity securities price risk arises from investments held by the Group and classified in the consolidated interim statement of financial position as non-current financial assets. The Group's equity investments are publicly traded and are related to the indexes including NASDAQ (National Association of Securities Dealers Automated Quotations), NYSE (New York Stock Exchange), SZSE (Shenzhen Stock Exchange), HSI (Hang Seng Index), ASX (Australian Stock Exchange), KOSPI and others.

The table below summarizes the impact of increases/decreases of the listed stock price index on the Group's equity before tax effects as at September 30, 2025 and December 31, 2024. The analysis is based on the assumption that the equity index has increased/decreased by 10% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

<i>(in millions of Korean won)</i>	September 30, 2025				December 31, 2024			
		10% Increase	10% Decrease		10% Increase	10% Decrease		
NASDAQ	₩	10,753	₩	(10,753)	₩	15,609	₩	(15,609)
ASX		84		(84)		885		(885)
NYSE		(2)		2		236		(236)
SZSE		1,172		(1,172)		6,943		(6,943)
HSI		11,696		(11,696)		6,427		(6,427)
KOSPI and others		32,210		(32,210)		32,615		(32,615)
Total	₩	55,913	₩	(55,913)	₩	62,715	₩	(62,715)

Interest rate risk

Interest rate risk is defined as the risk that the interest income or expenses arising from deposits and borrowings will fluctuate because of changes in future market interest rate. The interest rate risk mainly arises through floating rate deposits and borrowings. The objective of interest rate risk management lies in maximizing corporate value by minimizing uncertainty in interest rates fluctuations and net interest expense.

The Group adequately minimizes risks from interest rate fluctuations through various policies, such as sharing excess cash within the Group (internal cash sharing) to minimize external borrowings, avoiding high rate borrowings, reforming capital structure, managing an appropriate ratio of fixed rate borrowings and floating rate borrowings, monitoring a fluctuation of domestic and foreign interest rates daily, weekly and monthly, establishing alternatives, and balancing floating rate short-term borrowings with floating rate deposits.

The table below summarizes the impact of increases/decreases of interest rate on the Group's interest income from deposits and interest expense on variable interest rate borrowings for the nine-month periods ended September 30, 2025 and 2024. The analysis is based on the assumption that the interest rate has increased/decreased by 1% (100 basis points) with all other variables held constant.

<i>(in millions of Korean won)</i>	September 30, 2025				September 30, 2024			
		1%p Increase	1%p Decrease		1%p Increase	1%p Decrease		
Interest income	₩	15,595	₩	(15,595)	₩	22,206	₩	(22,206)
Interest expense		(68,715)		68,715		(51,555)		51,555

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The deposits exposed to the above interest rate risk are held for the purpose of meeting the short-term demand for cash as it is easily convertible to a determined amount of cash.

Also, the above borrowings are variable interest rate borrowings from KDB Bank and others, and the Group has entered into a currency interest rate swap contract amounting to USD 345 million (equivalent to ₩ 483,759 million) to hedge interest rate risk of variable interest rate borrowings.

(b) Credit risk

Credit risk arises from trade receivables and contract assets that the Group holds, as well as debt instruments at amortized cost.

Trade receivables and contract assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at September 30, 2025, is as follows. Expected credit losses include forward-looking information.

(in millions of Korean won)

	Receivables not past due ¹		Receivables past due but not impaired ¹		Impaired receivables ²		Total
September 30, 2025							
Gross carrying amount—trade receivables	₩	7,331,087	₩	569,757	₩	1,479	₩ 7,902,323
Gross carrying amount – contract assets		85,380		-		-	85,380
Expected loss rate		0.0%		0.0%		77.7%	0.0%
Loss allowance provision	₩	1,681	₩	21	₩	1,149	₩ 2,851
December 31, 2024							
Gross carrying amount—trade receivables	₩	8,352,072	₩	207,352	₩	1,643	₩ 8,561,067
Gross carrying amount – contract assets		77,237		-		-	77,237
Expected loss rate		0.0%		0.3%		34.7%	0.0%
Loss allowance provision	₩	1,270	₩	594	₩	571	₩ 2,435

¹ Note 7.(3) for aging analysis.

² Impaired receivables are those for which impairment indicators have been confirmed, such as significant lack of collectability.

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Movements in the loss allowance provision for trade receivables and contract assets for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	Trade receivables & contract assets			
	September 30, 2025		December 31, 2024	
Beginning balance	₩	2,435	₩	2,810
Transfer to assets held for sale (Note 34)		(33)		-
(Reversal of) Loss allowance recognized in profit or loss		1,133		(262)
Receivables written off as uncollectible		(607)		(119)
Exchange differences		(77)		6
Ending balance	₩	2,851	₩	2,435

As at September 30, 2025, the carrying amount of trade receivables representing the maximum exposure to credit risk amounts to ₩ 7,899,472 million (December 31, 2024: ₩ 8,558,632 million), and the carrying amount of contract assets amounts to ₩ 85,380 million (December 31, 2024: ₩ 77,237 million).

Other financial assets at amortized cost

Other financial assets at amortized cost include other receivables, other non-current receivables and others. Movements in loss allowance provision for other financial assets at amortized cost for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	Other receivables			
	September 30, 2025		December 31, 2024	
Beginning balance	₩	628	₩	628
Reversal of loss allowance recognized in profit or loss		1,402		-
Receivables written off as uncollectible		-		-
Ending balance	₩	2,030	₩	628

All of the financial assets at amortized costs are considered to have low credit risk, and the loss allowance recognized during the period was, therefore, limited to 12 months expected losses.

The Group has established the following policies and procedures to manage credit risks.

To manage credit risks relating to trade receivables, the Group evaluates the credit rating of customers and determines credit limit for each customer based on the information provided by credit rating agencies and other available financial information before commencing business with new customers. The credit risks relating to trade receivables are also mitigated by insurance contracts, collateral as well as payment guarantees.

The Group has entered into export bond insurance contracts with Korea Trade Insurance Corporation to mitigate credit risks relating to export trade receivables to overseas customers. The

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Group is also provided with collateral by customers depending on their credit rating or payment guarantees from the customers' financial institutions if necessary.

The Group has deposited its cash and cash equivalents and other long-term deposits in several financial institutions, such as Woori Bank and others. The Group has also entered into derivative contract with several financial institutions. The Group maintains business relationship with those financial institutions with high credit ratings evaluated by independent credit rating agencies and accordingly, credit risks associated with these financial institutions are limited.

(c) Liquidity risk

Finance team of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. When predicting liquidity, considerations are taken into account from external regulations or legal requirements such as funding plans of consolidation units, compliance with agreements, internal target financial ratios within consolidation units, and restrictions related to currency.

The Group entered into supplier finance arrangements with financial institutions. These financial institutions are in a sound financial position, and the Group does not face significant liquidity risk concentration with these institutions.

The table below categorizes the financial liabilities of consolidation units based on the remaining period from the end of the reporting period to the contract maturity date. The cash flows presented in the table are amounts not discounted as present value and include the cash flows related to interest expenses.

(in millions of Korean won)

	September 30, 2025			
	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years
Non-derivative financial instruments				
Borrowings (excluding lease liabilities)	₩ 12,695,352	₩ 5,062,972	₩ 15,062,532	₩ 4,852,123
Lease liabilities	161,252	121,767	288,425	500,928
Trade and other payables ¹	9,745,121	33,110	10,006	58
	<u>22,601,725</u>	<u>5,217,849</u>	<u>15,360,963</u>	<u>5,353,109</u>
Derivative instruments				
Gross settlement				
currency forwards and swaps				
(Inflows)	(1,710,382)	(1,077,195)	(4,536,993)	(2,400,391)
Outflows	1,488,425	1,051,522	4,410,146	2,299,252
	<u>(221,957)</u>	<u>(25,673)</u>	<u>(126,847)</u>	<u>(101,139)</u>
	<u>₩ 22,379,768</u>	<u>₩ 5,192,176</u>	<u>₩ 15,234,116</u>	<u>₩ 5,251,970</u>

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<i>(in millions of Korean won)</i>	December 31, 2024			
	Less than 1 year	Between 1-2 years	Between 2-5 years	Over 5 years
Non-derivative financial instruments				
Borrowings (excluding lease liabilities)	₩ 9,026,717	₩ 5,876,892	₩ 11,409,419	₩ 4,151,696
Lease liabilities	177,509	154,278	188,741	532,812
Trade and other payables ¹	10,706,201	19,829	11,109	128
	<u>19,910,427</u>	<u>6,050,999</u>	<u>11,609,269</u>	<u>4,684,636</u>
Derivative instruments				
Gross settlement currency forwards and swaps				
(Inflows)	(1,427,569)	(1,787,930)	(3,915,846)	(1,504,913)
Outflows	1,204,261	1,485,061	3,499,596	1,281,824
	<u>(223,308)</u>	<u>(302,869)</u>	<u>(416,250)</u>	<u>(223,089)</u>
	<u>₩ 19,687,119</u>	<u>₩ 5,748,130</u>	<u>₩ 11,193,019</u>	<u>₩ 4,461,547</u>

¹ As at September 30, 2025, ₩ 194,439 million with extended actual maturity paid by reverse factoring arrangement is included. Balance of reverse factoring arrangement as at December 31, 2024 is ₩ 439,604 million.

Although not included in the above cash flow, the agreement is made to purchase additional shares of LG Toray Hungary Battery Separator Kft. in accordance with the agreed price calculation method and shares will be purchased for the year ended December 31, 2025, in accordance with the agreement (Note 18). Additionally, for the year ended December 31, 2024, the Group issued exchangeable bonds that allow issuers and investors to exercise their early redemption rights (Note 14).

As at September 30, 2025 and December 31, 2024, the Group has entered into swap contracts for which cash flow hedge accounting is applied, to avoid market price fluctuation of raw materials.

<i>(in millions of Korean won)</i>	Purpose of the contracts	Hedged items	Financial institution	Maturity	September 30, 2025		December 31, 2024	
					Assets	Liabilities	Assets	Liabilities
Merchandise (raw materials) swap ¹	Cash flow hedge	Non-ferrous metal	Citi Bank and others	2027.12	₩ 432	₩ 1,177	₩ 64	₩ 1,594

¹ Gain (loss) resulting from the contracts to avoid cash flow fluctuation risk of expected future transaction is accounted for as accumulated other comprehensive income, which corresponds to an effective portion of the hedges.

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3.2 Capital Risk Management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern, so the Group can continue to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

The gearing ratio and debt-to-equity ratio as at September 30, 2025 and December 31, 2024, were as follows:

<i>(in millions of Korean won, except for ratios)</i>	September 30,		December 31, 2024	
	2025		2024	
Total borrowings (Note 14) (A)	₩	33,587,490	₩	27,376,097
Less: cash and cash equivalents (B)		(8,589,968)		(7,854,877)
Net debt (C=A+B)		<u>24,997,522</u>		<u>19,521,220</u>
Total liabilities (D)		52,246,628		45,862,299
Total equity (E)		46,228,488		47,995,463
Total capital (F=C+E)		<u>71,226,010</u>		<u>67,516,683</u>
Gearing ratio (C/F)		35.1%		28.9%
Debt-to-equity ratio (D/E)		113.0%		95.6%

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3.3 Fair Value

Carrying amount and fair value of financial instruments by category as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets (current)				
Cash and cash equivalents	₩ 8,589,968	1	₩ 7,854,877	1
Deposits held by financial institutions	2,794	1	213,473	1
Trade receivables	7,710,492	1	8,166,047	1
Other receivables (excluding deposits held by financial institutions)	808,670	1	903,886	1
Other current financial assets				
Current derivative financial assets (excluding currency forward)	325	325	42	42
Current derivative financial assets (currency swap)	194,394	194,394	188,578	188,578
Current derivative financial assets (purchase of interests)	29,786	29,786	31,225	31,225
Financial assets at amortized cost	5,865	1	-	-
Financial assets (non-current)				
Deposits held by financial institutions	319,898	1	272,457	1
Trade receivables	188,980	1	392,585	1
Other receivables (excluding deposits held by financial institutions)	140,515	1	178,078	1
Other non-current financial assets				
Marketable financial assets (excluding derivative financial assets)	616,786	616,786	677,742	677,742
Non-marketable financial assets ³	1,036,389	1,036,389	1,031,232	1,031,232
Non-current derivative financial assets (currency forward)	110,940	110,940	118,088	188,088
Non-current derivative financial assets (excluding currency forward)	1,582	1,582	22	22
Non-current derivative financial assets (currency swap)	182,099	182,099	581,692	581,692
Non-current derivative financial assets (put- option)	29,705	29,705	31,141	31,141
Financial liabilities (current)				
Trade and other payables	9,745,121	1	10,706,200	1
Current borrowings (excluding lease liabilities/ exchangeable bond)	9,465,083	1	5,018,619	1
Current borrowings (exchangeable bond)	2,244,965	2,572,233	2,461,344	2,532,310
Current lease liabilities	149,973	2	141,096	2
Other current financial liabilities				
Current derivative financial liabilities (excluding currency forward)	912	912	1,159	1,159
Current derivative financial liabilities	577,014	577,014	351,110	351,110

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(in millions of Korean won)

	September 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
(right of exchange/option)				
Financial liabilities (non-current)				
Non-current borrowings (excluding lease liabilities)	20,947,213	22,080,460	18,981,381	19,352,223
Non-current lease liabilities	780,257	²	773,657	²
Other non-current payables	43,174	¹	31,065	¹
Other non-current financial liabilities				
Non-current derivative financial liabilities (excluding currency forward)	265	265	435	435
Non-current derivative financial liabilities (currency swap)	137,159	137,159	-	-
Financial liabilities at amortized cost	2,063,996	¹	1,000,200	¹
Non-current derivative financial liabilities (purchase of interests)	40,505	40,505	42,464	42,464

¹ These financial assets and liabilities are not included in the disclosure above as their carrying amount is a reasonable approximation of the fair value.

² Fair values for these financial assets and liabilities are not disclosed above in accordance with related Korean IFRS.

³ Including some unmarketable financial assets for which acquisition cost is used as the best estimate of fair value.

Fair value for measurement and disclosure are determined based on the following method:

The fair value of financial liabilities was calculated by applying the following discount rate to the nominal value of expected future outflow cash flows.

Discount rate	September 30, 2025	December 31, 2024	Remark
Non-current borrowings (excluding lease liabilities/exchangeable bond)	2.61% ~ 4.11%	3.07% ~ 4.12%	Yield of won debenture with credit rating (AA+) and others
Current borrowings (Exchangeable Bond)	4.18% / 4.32%	5.04% / 5.20%	Yield of foreign currency debenture equal to the maturity of the evaluation target

Fair value hierarchy

Items that are measured at fair value are categorized by the fair value hierarchy levels, and the defined levels are as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date (Level 1).
- All inputs other than quoted prices included in level 1 that are observable (either directly that is, prices, or indirectly that is, derived from prices) for the asset or liability (Level 2).
- Unobservable inputs for the asset or liability (Level 3).

Fair value hierarchy of the financial instruments that are either measured at fair value or their fair

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values are disclosed for as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets/liabilities measured at fair value				
Other non-current financial assets (marketable financial assets)	₩ 616,786	₩ -	₩ -	₩ 616,786
Other non-current financial assets (non-marketable financial assets) ¹	-	-	1,036,389	1,036,389
Current derivative financial assets (excluding currency forward)	-	325	-	325
Current derivative financial assets (currency swap)	-	194,394	-	194,394
Current derivative financial assets (purchase of interests)	-	-	29,786	29,786
Non-current derivative financial assets (currency forward)	-	110,940	-	110,940
Non-current derivative financial assets (excluding currency forward)	-	1,582	-	1,582
Non-current derivative financial assets (currency swap)	-	182,099	-	182,099
Non-current derivative financial assets (put- option)	-	-	29,705	29,705
Current derivative financial liabilities (excluding currency forward)	-	912	-	912
Current derivative financial liabilities (right of exchange/option)	-	-	577,014	577,014
Non-current derivative financial liabilities (excluding currency forward)	-	265	-	265
Non-current derivative financial liabilities (currency swap)	-	137,159	-	137,159
Non-current derivative financial liabilities (purchase of interests)	-	-	40,505	40,505
Financial assets/liabilities not measured at fair value				
Current borrowings (exchangeable bond)	-	-	2,572,233	2,572,233
Non-current borrowings (excluding lease liabilities)	-	-	22,080,460	22,080,460

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	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets/liabilities measured at fair value				
Other non-current financial assets (marketable financial assets)	₩ 677,742	₩ -	₩ -	₩ 677,742
Other non-current financial assets (non-marketable financial assets) ¹	-	-	1,031,232	1,031,232
Current derivative financial assets (excluding currency forward)	-	42	-	42
Current derivative financial assets (currency swap)	-	188,578	-	188,578
Current derivative financial assets (purchase of interests)	-	-	31,225	31,225
Non-current derivative financial assets (currency forward)	-	118,088	-	118,088
Non-current derivative financial assets (excluding currency forward)	-	22	-	22
Non-current derivative financial assets (currency swap)	-	581,692	-	581,692
Non-current derivative financial assets (put- option)	-	-	31,141	31,141
Current derivative financial liabilities (excluding currency forward)	-	1,159	-	1,159
Current derivative financial liabilities (right of exchange/option)	-	-	351,110	351,110
Non-current derivative financial liabilities (excluding currency forward)	-	435	-	435
Non-current derivative financial liabilities (purchase of interests)	-	-	42,464	42,464
Financial assets/liabilities not measured at fair value				
Current borrowings (exchangeable bond)	-	-	2,532,310	2,532,310
Non-current borrowings (excluding lease liabilities)	-	-	19,352,223	19,352,223

¹ Acquisition costs of a part of these financial assets approximate their fair values. For fair values measured by using other methods, see Valuation technique and the inputs.

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Valuation technique and the inputs

Valuation techniques and inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

September 30, 2025

	Fair value	Level	Valuation Technique	Inputs	Coverage of Level 3 inputs			
Current derivative financial assets (purchase of interests)	₩ 29,786	3	Monte Carlo Simulation	Stock volatility of underlying assets	47.76%			
				Stock price correlation coefficient	25.85%			
				Volatility of financial indicators	20.94%			
Non-current derivative financial assets (put- option)	29,705	3	Binominal option-pricing model	Volatility	47.83%			
				Risk-free rate	3.63%			
Non-current derivative financial liabilities (purchase of interests)	40,505	3	Monte Carlo Simulation	Stock volatility of underlying assets	47.76%			
				Stock price correlation coefficient	25.85%			
				Volatility of financial indicators	20.94%			
Other non-current financial assets (non-listed shares and compound financial instruments)	362,387	3	Binominal option-pricing model	Volatility	68.13% and others			
				19,442	3	Hull&White/LSMC	Stock price of underlying assets	₩ 7,439 (in Korean won)
	Risk-free rate	2.65%						
	Discount rates	20.85%						
	44,644	3	Market approach	Volatility	28.39%			
				91,541	3	Discounted cash flows model	-	-
							Discount rates	13.41% and others
218,991	3	Adjusted net asset method	-	-				
Current financial liabilities (right of exchange/ option)	577,014	3	Binominal option-pricing model	Stock price of underlying assets	₩ 347,500 (in Korean won)			
				Risk-free rate	3.82% / 3.92%			
				Risk rate	4.18% / 4.32%			
				Volatility	41.17%			

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December 31, 2024

	Fair value	Level	Valuation Technique	Inputs	Coverage of Level 3 inputs
Current derivative financial assets (purchase of interests)	₩ 31,225	3	Monte Carlo Simulation	Stock volatility of underlying assets	47.76%
				Stock price correlation coefficient	25.85%
				Volatility of financial indicators	20.94%
Non-current derivative financial assets (put- option)	31,141	3	Binominal option-pricing model	Volatility	47.83%
				Risk-free rate	3.63%
Non-current derivative financial liabilities (purchase of interests)	42,464	3	Monte Carlo Simulation	Stock volatility of underlying assets	47.76%
				Stock price correlation coefficient	25.85%
				Volatility of financial indicators	20.94%
Other non-current financial assets (non-listed shares and compound financial instruments)	362,581	3	Binominal option-pricing model	Volatility	68.13% and others
				19,442	3
				Risk-free rate	
				Discount rates	20.85%
				Volatility	28.39%
	45,787	3	Market approach	-	-
	95,317	3	Discounted cash flows model	Discount rates	13.41% and others
213,802	3	Adjusted net asset method	-	-	
Current financial liabilities (right of exchange/ option)	351,110	3	Binominal option-pricing model	Stock price of underlying assets	₩ 348,000 (in Korean won)
				Risk-free rate	4.51% / 4.74%
				Risk rate	5.04% / 5.20%
				Volatility	40.86%

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4. Critical Accounting Estimates and Assumptions

The preparation of financial statements requires the Group to make estimates and assumptions concerning the future. Management also needs to exercise judgement in applying the Group's accounting policies. 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 may differ from the related actual results.

Significant accounting estimates and assumptions applied in the preparation of these condensed consolidated interim financial statements are the same as those applied to the consolidated financial statements for the year ended December 31, 2024, except for the estimates used to determine income tax expense.

5. Financial Instruments by Category

Categorizations of financial instruments as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025					Total
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Other financial assets¹		
Financial assets						
Cash and cash equivalents	₩ 8,589,968	₩ -	₩ -	₩ -	₩ -	8,589,968
Trade receivables	7,423,068	-	287,424	-	-	7,710,492
Non-current trade receivables	188,980	-	-	-	-	188,980
Other receivables	811,464	-	-	-	-	811,464
Other non-current receivables	460,413	-	-	-	-	460,413
Other current financial assets	5,865	224,180	-	325	-	230,370
Other non-current financial assets	-	1,143,721	833,673	107	-	1,977,501
Total	₩ 17,479,758	₩ 1,367,901	₩ 1,121,097	₩ 432	₩ -	₩ 19,969,188

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(in millions of Korean won)

	September 30, 2025			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other financial liabilities ²	Total
Financial liabilities				
Trade payables	₩ 3,477,634	₩ -	₩ -	₩ 3,477,634
Other payables	6,263,589	-	-	6,263,589
Borrowings (current)	11,575,329	-	284,692	11,860,021
Other current financial liabilities	-	577,014	912	577,926
Other non-current financial liabilities	2,063,996	177,665	265	2,241,926
Other non-current payables	43,174	-	-	43,174
Borrowings (non-current)	20,947,212	-	780,257	21,727,469
Total	₩ 44,370,934	₩ 754,679	₩ 1,066,126	₩ 46,191,739

(in millions of Korean won)

	December 31, 2024				
	Financial assets at amortized cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Other financial assets ¹	Total
Financial assets					
Cash and cash equivalents	₩ 7,854,877	₩ -	₩ -	₩ -	₩ 7,854,877
Trade receivables	7,652,903	-	513,144	-	8,166,047
Non-current trade receivables	392,585	-	-	-	392,585
Other receivables	1,117,359	-	-	-	1,117,359
Other non-current receivables	450,535	-	-	-	450,535
Other current financial assets	-	219,803	-	42	219,845
Other non-current financial assets	-	1,586,194	853,701	22	2,439,917
Total	₩ 17,468,259	₩ 1,805,997	₩ 1,366,845	₩ 64	₩ 20,641,165

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(in millions of
Korean won)

	December 31, 2024			
	Financial liabilities at amortized cost	Financial liabilities at fair value through profit or loss	Other financial liabilities ²	Total
Financial liabilities				
Trade payables	₩ 3,681,898	₩ -	₩ -	₩ 3,681,898
Other payables	7,021,473	-	-	7,021,473
Borrowings (current)	7,457,043	-	164,016	7,621,059
Other current financial liabilities	-	351,110	1,159	352,269
Other non-current financial liabilities	1,000,200	42,464	435	1,043,099
Other non-current payables	31,065	-	-	31,065
Borrowings (non-current)	18,981,381	-	773,657	19,755,038
Total	<u>₩ 38,173,060</u>	<u>₩ 393,574</u>	<u>₩ 939,267</u>	<u>₩ 39,505,901</u>

¹ Other financial assets include derivative assets that are not subject to the categorizations.

² Other financial liabilities include lease liabilities, derivative liabilities and negotiated borrowings that are not subject to the categorizations.

(b) *Liabilities under supplier finance arrangements*

Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts that the Group owes its suppliers and the Group agreeing to pay finance providers according to the terms and conditions of the arrangements at a date later than, when suppliers are paid. These arrangements provide the Group with extended payment terms, or the Group's suppliers with early payment terms, compared to the related invoice payment due date.

Supplier finance arrangements as at September 30, 2025 and December 31, 2024, as follows:

(in millions of Korean won)	Accounts in financial statements	September 30, 2025		December 31, 2024	
		₩		₩	
Shipper's Usance ¹	Trade payables	₩ 73,819		₩ 18,067	
Reverse factoring arrangement ²	Other payables	194,439		439,604	
B2B purchase arrangements ³	Trade payables	246,704		200,357	
B2B purchase arrangements ³	Other payables	439,148		535,083	

¹ Under the Shipper's Usance arrangement, financial institutions acquire rights to specific trade receivables from suppliers. The payment due would not be changed due to this arrangement, and since the terms of the liability have not substantially changed, it is determined appropriate to continue recognizing the related amount as trade payables on the statements of financial position. In the statements of cash flows, the Group is not considered a part of the supplier finance arrangement in the cash flows between the financial institutions and the suppliers. As the substantive terms of the trade payables have not changed, the Group considers the payment was made in the ordinary course of business. Accordingly, cash flows occur when the Group subsequently makes payment to the financial institution, and this is presented as a cash outflow from operating activities.

² In accordance with reverse factoring arrangement, financial institutions acquire rights to specific trade receivables from suppliers. The payment due has been extended due to this arrangement,

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and since the terms of the liability have substantially changed, the related amount is recognized as financial liabilities in the statements of financial position, and previous liabilities are derecognized at the time of assumption of debt by financial institutions. In the statements of cash flows, the Group considers that financial institutions settle payments on behalf of the Group. However, when financial institutions pay the suppliers, the Group is considered not a party to the cash flows and discloses the payment as a non-cash transaction. When the Group subsequently pays to financial institutions, it is presented in cash outflow from investing activities.

³ According to the B2B corporate purchase agreement, the financial institution acquires rights to specific accounts receivable from the supplier. This agreement does not alter the payment date or substantially change the terms of the debt. Therefore, it is appropriate to continue displaying the related amounts in other payables on the balance sheet. In the cash flow statement, the consolidated company determined it is not a party to the cash flow between the financial institution and the supplier. Since the substantial terms of other payables remain unchanged, this is considered a normal business payment. Consequently, cash flow is recognized when the consolidated company makes subsequent payments to the financial institution, recorded as an outflow of cash from operating activities

There have been no significant changes affecting the liabilities under the supplier financing arrangement. These liabilities are considered short-term and their book amount is regarded as a reasonable approximation of fair value.

Net gains or losses on each category of financial instruments for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Dividend income				
Financial assets at fair value through other comprehensive income	₩ -	₩ 3,083	₩ 7,685	₩ 9,812
Financial assets at fair value through profit or loss	-	-	-	249
Impairment losses (reversal)				
Financial assets at amortized cost	1,388	2,535	(98)	(149)
Interest income				
Financial assets at amortized cost	75,213	245,372	86,293	270,877
Interest expense				
Financial liabilities at amortized cost	(358,455)	(994,719)	(305,402)	(789,757)
Other financial liabilities ¹	(10,900)	(32,318)	(1,882)	(11,096)
Gain (loss) on valuation and disposal				
Financial assets at fair value through profit or loss	39,108	13,699	(18,861)	6,883
Financial assets at fair value through other comprehensive income	77,830	(29,669)	104,936	46,532
Derivative instruments	352,007	(424,717)	(313,299)	235,973
Financial liabilities at amortized cost	(14,804)	(41,540)	-	-
Exchange differences				

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Financial assets at amortized cost	215,586	(362,157)	(361,339)	164,667
Financial liabilities at amortized cost	(507,260)	838,486	758,921	(23,164)
Other financial liabilities	(2,338)	(9,564)	-	(121)

¹ Interest expenses of lease liabilities that are not subject to the categorizations and fees paid to financial institutions for factoring are included.

6. Cash and Cash Equivalents

Details of cash and cash equivalents as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025			
Bank deposits and cash on hand	₩	3,443,285	₩	3,896,775
Deposits held by financial institutions and others		5,146,683		3,958,102
Total	₩	<u>8,589,968</u>	₩	<u>7,854,877</u>

As at September 30, 2025, cash and cash equivalents include ₩ 78,961 million (December 31, 2024: ₩ 1,212,371 million), which is subject to a restriction on the use in association with the national R&D projects.

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7. Trade and Other Receivables

Trade and other receivables and its provisions for impairment as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025		
	Gross amount	Provision for impairment	Carrying amount
Trade receivables	₩ 7,713,343	₩ (2,851)	₩ 7,710,492
Non-current trade receivables	188,980	-	188,980
Other current receivables	813,494	(2,030)	811,464
Other non-current receivables	460,413	-	460,413
Total	₩ 9,176,230	₩ (4,881)	₩ 9,171,349

(in millions of Korean won)

	December 31, 2024		
	Gross amount	Provision for impairment	Carrying amount
Trade receivables	₩ 8,168,482	₩ (2,435)	₩ 8,166,047
Non-current trade receivables	392,585	-	392,585
Other current receivables	1,117,987	(628)	1,117,359
Other non-current receivables	450,535	-	450,535
Total	₩ 10,129,589	₩ (3,063)	₩ 10,126,526

Details of other receivables as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025	December 31, 2024
Current		
Non-trade receivables	₩ 697,422	₩ 851,737
Deposits held by financial institutions ¹	2,794	213,473
Accrued income	30,980	9,012
Guarantee deposits provided	80,268	43,137
	<u>811,464</u>	<u>1,117,359</u>
Non-current		
Non-trade receivables	38,836	40,623
Deposits held by financial institutions ²	319,898	272,457
Loans	13,595	15,673
Guarantee deposits provided	88,084	121,782
	<u>460,413</u>	<u>450,535</u>
Total	₩ 1,271,877	₩ 1,567,894

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¹ As at September 30, 2025, the amount is restricted for use in relation to the payment of dividends.

² As at September 30, 2025, ₩ 266,100 million (December 31, 2024: ₩ 266,100 million) of the non-current portion of deposits held by financial institutions are restricted for use under agreements such as the Co-Growth Cooperation Agreement between large and small-medium enterprises. Additionally, ₩ 135 million (December 31, 2024: ₩ 138 million) is restricted as a deposit for opening a checking account. Also, PLN 1 million is withdrawal restricted in relation to overseas transportation of hazardous waste and USD 38 million is restricted for use as collateral for the issuance of LOC.

The aging analysis of trade and other receivables as at September 30, 2025 and December 31, 2024, is as follows:

(in millions of Korean won)

	September 30, 2025		December 31, 2024	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Receivables not past due	₩ 7,331,087	₩ 1,161,382	₩ 8,352,072	₩ 1,564,851
Past due but not impaired	569,757	110,495	207,352	3,043
Up to 3 months	187,738	99,629	189,570	55
Between 3-6 months	353,153	5,196	17,414	676
Over 6 months	28,866	5,670	369	2,312
Impaired receivables	<u>1,479</u>	<u>2,030</u>	<u>1,643</u>	<u>628</u>
Total	<u>₩ 7,902,323</u>	<u>₩ 1,273,907</u>	<u>₩ 8,561,067</u>	<u>₩ 1,568,522</u>

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Movements on the provision for impairment of trade and other receivables for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025							
	Trade receivables				Other receivables			
	Current		Non-current		Current		Non-current	
Beginning balance	₩	2,435	₩	-	₩	628	₩	-
Transfer to assets held for sale (Note 34)		(33)		-		-		-
Additions		1,133		-		1,402		-
Write-off		(607)		-		-		-
Exchange differences		(77)		-		-		-
Ending balance	₩	2,851	₩	-	₩	2,030	₩	-

(in millions of Korean won)

	December 31, 2024							
	Trade receivables				Other receivables			
	Current		Non-current		Current		Non-current	
Beginning balance	₩	2,810	₩	-	₩	628	₩	-
Transfer to assets held for sale (Note 34)		-		-		-		-
Reversal		(262)		-		-		-
Write-off		(119)		-		-		-
Exchange differences		6		-		-		-
Ending balance	₩	2,435	₩	-	₩	628	₩	-

As at September 30, 2025 and December 31, 2024, the carrying amounts of trade and other receivables are approximation of their fair values.

The Group transferred trade receivables to financial institutions and derecognized the trade receivables from the financial statements at the date of disposal, as substantial all the risks and rewards were transferred and as at September 30, 2025, the balance of transferred trade receivables is ₩ 205,117 million (December 31, 2024: ₩ 82,645 million).

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8. Other Financial Assets and Liabilities

Details of other financial assets and liabilities as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025	December 31, 2024
Other financial assets		
Financial assets at amortized cost (current)	₩ 5,865	₩ -
Financial assets at fair value through other comprehensive income (derivative instruments) (current)	325	42
Financial assets at fair value through profit or loss (derivative instruments) (current)	224,180	219,803
Financial assets at fair value through other comprehensive income (derivative instruments) (non-current)	107	22
Financial assets at fair value through other comprehensive income (excluding derivative instruments) (non-current)	833,673	853,701
Financial assets at fair value through profit or loss (derivative instruments) (non-current)	324,219	730,921
Financial assets at fair value through profit or loss (excluding derivative instruments) (non-current)	819,502	855,273
	<u>2,207,871</u>	<u>2,659,762</u>
Other financial liabilities		
Financial liabilities at fair value through other comprehensive income (derivative instruments) (current)	912	1,159
Financial liabilities at fair value through profit or loss (derivative instruments) (current)	577,014	351,110
Financial liabilities at fair value through other comprehensive income (derivative instruments) (non-current)	265	435
Financial liabilities at fair value through profit or loss (derivative instruments) (non-current)	177,665	42,464
Financial liabilities at amortized cost (non-current)	2,063,996	1,000,200
	<u>₩ 2,819,852</u>	<u>₩ 1,395,368</u>

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Changes in equity and debt instruments included in other financial assets for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025		2024	
Beginning balance	₩	1,708,974	₩	1,022,110
Acquisitions / transfer		93,958		489,741
Disposals		(166,237)		(65,959)
Gain (loss) on valuation through other comprehensive income (before income tax effects)		(29,669)		179,103
Gain on valuation through profit or loss		13,699		61,314
Exchange differences on translation of foreign currency		38,315		22,665
Ending balance	₩	1,659,040	₩	1,708,974

¹ The Group has entered into a Put-Option agreement regarding its equity investment for Volta Energy Solutions S.a.r.l and Capchem Poland SP. Z o.o. for the purpose of guaranteeing the principal amount of investments. The main conditions of the Put-Option agreement are as follows:

Category	Volta Energy Solutions S.a.r.l	Capchem Poland SP. Z o.o.
Exercise date	For three years from the date on which three years lapse since it was acquired (Date of initial investment: January 27, 2021)	For one year from the date on which five years lapse since the contract date (April 9, 2021), Notice must be given three months in advance
Exercise price	Investment amount deducting dividends (received from the time of investment to the time of exercise) from the investment	The higher of market fair value and principal amount of investments
Other conditions	Put option cannot be exercised in case Volta Energy Solutions S.a.r.l is listed	-

For the nine-month period ended September 30, 2025, and for the year ended December 31, 2024, the Group did not recognize impairment for other financial assets.

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9. Inventories

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

(in millions of Korean won)

	September 30, 2025		
	Gross amount	Provision for impairment	Carrying amount
Merchandise	₩ 436,809	₩ (42,312)	₩ 394,497
Finished / Semi-finished products	4,630,802	(302,495)	4,328,307
Work-in-process	20,287	-	20,287
Raw materials	2,638,717	(5,557)	2,633,160
Supplies	376,493	(23,279)	353,214
Goods-in-transit	899,683	-	899,683
Total	₩ 9,002,791	₩ (373,643)	₩ 8,629,148

(in millions of Korean won)

	December 31, 2024		
	Gross amount	Provision for impairment	Carrying amount
Merchandise	₩ 396,041	₩ (41,053)	₩ 354,988
Finished / Semi-finished products	4,932,630	(333,607)	4,599,023
Work-in-process	26,227	-	26,227
Raw materials	2,417,233	(40,635)	2,376,598
Supplies	361,917	(7,776)	354,141
Goods-in-transit	1,136,456	-	1,136,456
Total	₩ 9,270,504	₩ (423,071)	₩ 8,847,433

During the nine-month period ended September 30, 2025, the cost of inventories recognized as expense and included in 'cost of sales' amounted to ₩ 19,752,258 million (2024: ₩ 22,503,329 million).

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10. Investments in Associates and Joint Ventures

Changes in investments in associates and joint ventures for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

(in millions of
Korean won)

	September 30, 2025									
	Beginning balance	Acquisitions / transfer	Dividends	Share of profit (loss) of associates and joint ventures	Share of other comprehensive income (loss) of associates and joint ventures			Ending balance		
					Exchange rate changes	Reclassificat ion due to the disposal	Others			
TECHWIN Co., Ltd.	₩ 16,075	₩ -	₩ -	₩ (966)	₩ -	₩ -	₩ 10	₩ 15,119		
SEETEC Co., Ltd	141,694	-	(10,000)	6,707	-	-	-	138,401		
LG Life Sciences Poland Ltd.	17	-	-	-	-	-	-	17		
HUAJIN NEW ENERGY MATERIALS(QUZHOU)CO., LTD.	91,415	-	-	(1,073)	(2,053)	-	-	88,289		
Sam-a Aluminium Company, Limited ¹	45,396	-	(38)	(1,432)	-	-	-	43,926		
NEXPO Co., Ltd ²	3,831	2,375	-	(263)	-	-	-	5,943		
Bricks Capital Management Global Battery Private Equity Fund I	13,163	445	-	(185)	-	-	-	13,423		
Jeju Bukchon BESS Plant Co.,Ltd. ³	-	900	-	(111)	-	-	-	789		
PT LBM Energi Baru Indonesia ⁴	-	22,107	-	-	284	-	-	22,391		
TL Chemical CO., Ltd	50,934	-	-	769	-	-	-	51,703		
LG Toray Hungary Battery Separator Kft.	499,309	-	-	(106,953)	22,001	-	-	414,357		
KOREA PRECURSOR CO., LTD.	36,559	-	-	(7,545)	-	-	(12)	29,002		
	₩ 898,393	₩ 25,827	₩ (10,038)	₩ (111,052)	₩ 20,232	₩ -	₩ (2)	₩ 823,360		

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(in millions of
Korean won)

	December 31, 2024									
	Beginning balance	Acquisitions / transfer	Dividends	Share of profit (loss) of associates and joint ventures	Share of other comprehensive income (loss) of associates and joint ventures			Ending balance		
					Exchange rate changes	Reclassificat ion due to the disposal	Others			
TECHWIN Co., Ltd.	₩ 16,284	₩ -	₩ -	₩ (209)	₩ -	₩ -	₩ -	₩ 16,075		
SEETEC Co., Ltd	138,148	-	(7,500)	11,452	-	-	(406)	141,694		
LG Life Sciences Poland Ltd.	17	-	-	-	-	-	-	17		
HUAJIN NEW ENERGY MATERIALS(QUZHOU)CO., LTD.	79,383	-	-	3,552	8,480	-	-	91,415		
PT.HLI Green Power ⁵	162,273	-	-	(42,710)	15,209	(37,804)	(96,968)	-		
Sam-a Aluminium Company, Limited	46,257	-	(150)	(711)	-	-	-	45,396		
NEXPO Co., Ltd	2,186	1,900	-	(255)	-	-	-	3,831		
Bricks Capital Management Global Battery Private Equity Fund I	12,843	5,762	-	(5,442)	-	-	-	13,163		
TL Chemical CO., Ltd	49,203	-	-	1,731	-	-	-	50,934		
LG Toray Hungary Battery Separator Kft.	451,408	-	-	18,728	29,173	-	-	499,309		
KOREA PRECURSOR CO., LTD.	47,604	-	-	(11,001)	-	-	(44)	36,559		
	₩ 1,005,606	₩ 7,662	₩ (7,650)	₩ (24,865)	₩ 52,862	₩ (37,804)	₩ (97,418)	₩ 898,393		

¹ Although the ownership interest is less than 20%, the Group can participate in its decision-making process in accordance with the shareholders' agreement. Therefore, it is determined to have a significant influence. In accordance with the relevant agreement, the Group has the right to request the sale of the shares held by the Group upon the occurrence of events, including the termination of the shareholders' agreement or the master purchase agreement.

² Although the ownership interest is less than 20%, the Group can participate in its decision-making process in accordance with the shareholders' agreement. Therefore, it is determined to have a significant influence. In accordance with the relevant agreement, the Group has the right to request the sale of the shares held by the Group upon the occurrence of events, including the termination of the shareholders' agreement or the master purchase agreement.

³ During the nine-month period ended September 30, 2025, LG Energy Solution has newly acquired a 10% interest in Jeju Bukchon BESS Plant Co., Ltd. for ₩ 900 million. Although the Group's ownership interest in Jeju Bukchon BESS Plant Co.,Ltd. is less than 20%, the Group has a significant influence since the Group can participate in its decision-making process in accordance with shareholder's agreement. Under the relevant agreement, if a particular investor is excluded from the shareholders' agreement due to breach of contract and others, another investor can purchase the shares of the excluded investor.

⁴ During the nine-month period ended September 30, 2025, LG Energy Solution has newly acquired a 20% interest in PT LBM Energi Baru Indonesia for ₩ 22,107 million. In accordance with the relevant agreement, the Group has the right to request the sale of the shares held by the Group upon the occurrence of events, including the termination of the shareholders' agreement or

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the master purchase agreement. If the shareholders' agreement is terminated due to the Group's fault, the controlling shareholders have the right to purchase the shares held by the Group.

⁵ During the year ended December 31, 2024, the Group reclassified PT. HLI Green Power from a joint venture to a subsidiary due to changes in the shareholder's agreement.

The tables below provide a reconciliation of the summarized financial information presented to the carrying amount of its interest in the joint ventures or associates:

(in millions of
Korean won)

		September 30, 2025					
		Group's share	Group's share	Investment	Intercompany	Carrying	
Net Asset (a)	Group's share	in KRW	Investment	transactions,	Carrying	amount	
	in % (b)	(a x b)	difference	etc.	amount		
LG Toray Hungary Battery Separator Kft.	₩ 702,825	50	₩ 351,413	₩ 62,944	₩ -	₩ 414,357	
SEETEC Co., Ltd	283,740	50	141,871	-	(3,470)	138,401	
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.	179,888	49	88,145	-	144	88,289	

(in millions of
Korean won)

		December 31, 2024					
		Group's share	Group's share	Investment	Intercompany	Carrying	
Net Asset (a)	Group's share	in KRW	Investment	transactions,	Carrying	amount	
	in % (b)	(a x b)	difference	etc.	amount		
LG Toray Hungary Battery Separator Kft.	₩ 872,436	50	₩ 436,218	₩ 62,944	₩ 147	₩ 499,309	
SEETEC Co., Ltd	290,328	50	145,164	-	(3,470)	141,694	
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.	186,952	49	91,607	-	(192)	91,415	

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11. Property, Plant and Equipment

Changes in property, plant and equipment for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025			
Beginning balance	₩	54,570,446	₩	38,950,393
Business combination (Note 37)		-		1,026,337
Acquisitions / transfer		17,705,396		24,492,838
Disposals / transfer		(8,118,579)		(8,734,080)
Exchange differences		(1,170,142)		3,432,353
Depreciation		(3,402,413)		(4,196,377)
Impairment		(34,833)		(383,088)
Impairment / reversal		6,152		-
Transfer to assets held for sale (Note 34)		(199,107)		(17,930)
Ending balance	₩	59,356,920	₩	54,570,446

During the nine-month period ended September 30, 2025, the Group capitalized ₩ 95,118 million of borrowing costs (2024: ₩ 113,065 million) in relation to acquisition of property, plant and equipment, on property, plant and equipment. The capitalization rate of borrowings used to determine the amount of borrowing costs eligible for capitalization is 3.78%~4.87% (2024: 3.29%~4.65%).

Line items including depreciation in the consolidated income statements for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 1,043,722	₩ 3,006,999	₩ 986,495	₩ 2,718,908
Selling and administrative expenses	137,179	389,976	106,451	305,199
Discontinued operations	946	5,438	4,253	11,108
Total	₩ 1,181,847	₩ 3,402,413	₩ 1,097,199	₩ 3,035,215

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Details of property, plant and equipment provided as collateral as at September 30, 2025 and December 31, 2024, is as follows:

(in millions of Korean won)

	September 30, 2025				
	Carrying amount	Secured amount	Related line item	Related amount	Secured party
Buildings and others	₩ 133,812	₩ 378,000	Borrowings (Note 14)	₩ 268,000	KDB Bank
Land and others	3,654	240,000	Borrowings (Note 14)	50,000	KDB Bank

(in millions of Korean won)

	December 31, 2024				
	Carrying amount	Secured amount	Related line item	Related amount	Secured party
Buildings and others	₩ 135,601	₩ 378,000	Borrowings (Note 14)	₩ 283,000	KDB Bank
Land	182	4,536	-	-	DB INSURANCE CO.,LTD

Leases

Details of right-of-use assets in consolidated interim statement of financial position are as follows:

(in millions of Korean won)

	September 30, 2025		December 31, 2024	
Right-of-use assets ¹				
Real estate	₩	713,884	₩	704,759
Machinery		231,930		241,212
Vehicles		28,052		32,930
Tools		3,896		4,563
Equipment		1,008		1,275
	₩	978,770	₩	984,739

¹ Included in the line item 'Property, plant and equipment' in the consolidated interim statements of financial position.

Additions to the right-of-use assets during the nine-month period ended September 30, 2025, were ₩ 186,259 million (2024: ₩ 305,952 million).

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<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Lease liabilities ¹				
Current	₩	149,973	₩	141,096
Non-current		780,257		773,657
	₩	930,230	₩	914,753

¹ Included in the line item 'Borrowings' in the consolidated interim statements of financial position.

Amounts recognized in the consolidated interim income statements

Lease related expenses recognized in the consolidated income statements for the nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
Depreciation of right-of-use assets				
Real-estate	₩	66,521	₩	73,924
Machinery		15,966		5,297
Vehicles		15,843		16,921
Tools		997		992
Equipment		382		281
	₩	99,709	₩	97,415
Interest expense relating to lease liabilities (included in finance cost)	₩	28,393	₩	7,419
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)		26,032		31,867
Expense relating to leases of low-value assets that are not short-term leases (included in cost of goods sold and administrative expenses)		14,247		14,393

Total cash outflow for leases during the nine-month period ended September 30, 2025, was ₩ 186,669 million (2024: ₩ 150,878 million).

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12. Intangible Assets

Changes in intangible assets for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Beginning balance	₩	3,619,361	₩	3,692,922
Business combination (Note 37)		-		149,067
Acquisitions/transfer		601,347		667,938
Disposals/transfer		(165,745)		(160,392)
Exchange differences		(75,339)		160,402
Amortization		(418,424)		(482,229)
Impairment		(737)		(408,169)
Transfer to assets held for sale (Note 34)		(108,740)		(178)
Ending balance	<u>₩</u>	<u>3,451,723</u>	<u>₩</u>	<u>3,619,361</u>

Line items including amortization of intangible assets for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	<u>2025</u>		<u>2024</u>	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 24,272	₩ 66,017	₩ 19,006	₩ 63,265
Selling and administrative expenses	117,501	348,922	92,194	269,467
Discontinued operations	527	3,485	3,397	10,056
Total	<u>₩ 142,300</u>	<u>₩ 418,424</u>	<u>₩ 114,597</u>	<u>₩ 342,788</u>

Research and development costs

Total research and development costs recognized as expenses amounted to ₩ 1,750,754 million (2024: ₩ 1,571,931 million) for the nine-month period ended September 30, 2025.

Greenhouse gas emission

Details of greenhouse gas emission permits included in other intangible assets are as follows:

Greenhouse gas emission permits held for the purpose of fulfilling obligations

The number of greenhouse gas emission permits received at free of charge for the 3rd planning period (2021 to 2025) is as follows:

<i>(in thousands of tons)</i>	2021	2022	2023	2024	2025	Total
Allocation with nil consideration	10,167	10,504	9,073	9,993	9,217	48,954

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Changes in greenhouse gas emission permits for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in thousands of tons and millions of Korean won)</i>	September 30, 2025								
	2020		2021		2022		2023		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Beginning balance									
/Allocation with nil consideration	8,666	₩ -	10,167	₩ -	10,504	₩ -	9,073	₩ -	
Purchase/Sale	(69)	1,111	(339)	(20)	(788)	179	(614)		170
Exchange	100	-	(100)	-	-	-	-		-
Borrowings/Carry forwards									
between years	(49)	(388)	(392)	388	(769)	-	138		-
Surrendered to the government	(8,648)	(723)	(9,336)	(368)	(8,947)	(179)	(8,597)		(170)
Ending balance	-	₩ -	-	₩ -	-	₩ -	-	₩ -	-

<i>(in thousands of tons and millions of Korean won)</i>	September 30, 2025						
	2024		2025		Total		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Beginning balance/ Allocation with nil consideration		9,993	₩ -	9,217	₩ -	57,619	₩ -
Purchase/Sale		(390)	-	-	-	(2,200)	1,440
Exchange		-	-	-	-	-	-
Borrowings/Carry forwards between years		(763)	-	1,834	-	(1)	-
Surrendered to the government		(8,759)	-	-	-	(44,287)	(1,440)
Ending balance		81	₩ -	11,051	₩ -	11,131	₩ -

<i>(in thousands of tons and millions of Korean won)</i>	December 31, 2024								
	2020		2021		2022		2023		
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	
Beginning balance									
/Allocation with nil consideration	8,666	₩ -	10,167	₩ -	10,504	₩ -	9,073	₩ -	
Purchase/Sale	(69)	1,111	(339)	(20)	(788)	179	(614)		171
Exchange	100	-	(100)	-	-	-	-		-
Borrowings/Carry forwards									
between years	(49)	(388)	(392)	388	(769)	-	138		-
Surrendered to the government	(8,648)	(723)	(9,336)	(368)	(8,947)	(179)	(8,597)		(171)
Ending balance	-	₩ -	-	₩ -	-	₩ -	-	₩ -	-

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<i>(in thousands of tons and millions of Korean won)</i>	December 31, 2024					
	2024		2025		Total	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Beginning balance/						
Allocation with nil						
consideration	9,220	₩ -	9,217	₩ -	56,847	₩ -
Purchase/Sale	(106)	-	-	-	(1,916)	1,441
Exchange	-	-	-	-	-	-
Borrowings/Carry						
forwards between years	1,074	-	-	-	2	-
Surrendered to the						
government	-	-	-	-	(35,528)	(1,441)
Ending balance	10,188	₩ -	9,217	₩ -	19,405	₩ -

For the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, there are no greenhouse gas emission permits held for short-term trading purpose.

Details of Greenhouse gas emission permits included in other intangible assets of condensed financial statements regarding the EU ETS (Emissions Trading System) for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in thousands of tons, in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
	Quantity	Amount	Quantity	Amount
Beginning balance	112	₩ 11,568	153	₩ 13,809
Increase	65	5,583	74	6,120
Used	(111)	(10,388)	(115)	(8,361)
Ending balance	66	₩ 6,763	112	₩ 11,568

13. Other Current and Non-current Assets

Details of other current and non-current assets as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Current				
Prepayments to suppliers and prepaid expenses	₩	527,690	₩	498,795
Prepaid value added tax		189,650		324,994
Others		733,938		658,984
Total	₩	1,451,278	₩	1,482,773
Non-current				
Net defined benefit assets	₩	84,949	₩	217,048
Long-term prepayments to suppliers and long-term prepaid expenses		186,949		489,914
Others		659,260		156
Total	₩	931,158	₩	707,118

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14. Borrowings

Borrowings as at September 30, 2025 and December 31, 2024, consist of:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025			
Current				
Short-term borrowings	₩	3,577,209	₩	1,811,995
Current portion of long-term borrowings		3,044,678		1,941,487
Current portion of debentures		5,088,161		3,726,481
Current lease liabilities		149,973		141,096
		<u>11,860,021</u>		<u>7,621,059</u>
Non-current				
Long-term borrowings		6,130,574		5,997,203
Debentures		14,816,638		12,984,178
Lease liabilities		780,257		773,657
		<u>21,727,469</u>		<u>19,755,038</u>
Total	₩	<u>33,587,490</u>	₩	<u>27,376,097</u>

Details of general borrowings as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>		Latest maturity date	Interest rate(%) as at September 30, 2025	Carrying amount				
Currency	Bank			September 30, 2025		December 31, 2024		
				Current	Non-current	Current	Non-current	
Short-term borrowings								
Bank loans	Korean won	NH Bank and others	March 11, 2026	4.84 and others	₩ 349,900	₩ -	₩ 1,453,195	₩ -
	Foreign currency	CITI Bank and others	June 18, 2026	2.63 and others	3,115,478	-	-	-
Negotiated foreign currency borrowings	Foreign currency	Kookmin Bank Co.,Ltd. and others	November 27, 2025	2.28 and others	111,831	-	358,800	-
Total				<u>₩ 3,577,209</u>	<u>₩ -</u>	<u>₩ 1,811,995</u>	<u>₩ -</u>	
Long-term borrowings								
Bank loans	Korean won	KDB Bank and others ¹	June 30, 2035	3.74 and others	₩ 77,250	₩ 811,497	₩ 50,000	₩ 518,000
	Foreign currency	ANZ and others ²	October 25, 2032	5.70 and others	2,967,576	5,380,006	1,891,666	5,618,146
Less: discount on long-term borrowings					(148)	(60,929)	(179)	(138,943)
Total					<u>₩ 3,044,678</u>	<u>₩ 6,130,574</u>	<u>₩ 1,941,487</u>	<u>₩ 5,997,203</u>
Debentures								
Public debentures	Korean won	KB Securities Co., Ltd. and others	February 19, 2036	3.22 and others	₩ 1,585,000	₩ 6,890,000	₩ 825,000	₩ 6,275,000
Private debentures	Korean won	KB Securities Co., Ltd. and others	May 7, 2036	2.39 and others	-	150,000	-	150,000
	Foreign currency	CITI Securities and others	April 2, 2035	5.38 and others	1,261,980	7,852,320	441,000	6,615,000
Exchangeable bonds ^{3,4,5}	Foreign currency	CITI Securities and others	July 18, 2030	1.60 and others	2,812,112	-	2,940,000	-
Less: discount on debentures					(570,931)	(75,682)	(479,519)	(55,822)

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(in millions of Korean won)	Currency	Bank	Latest maturity date	Interest rate(%) as at September 30,	Carrying amount			
					September 30, 2025	December 31, 2024		
Total					₩ 5,088,161	₩ 14,816,638	₩ 3,726,481	₩ 12,984,178

¹ The Group's building is provided as collateral for some borrowings from the KDB Bank (Note 11).

² For the nine-month period ended September 30, 2025, General Motors ("GM") repaid the US Department of Energy policy fund borrowing of the Group and provided comprehensive assets of Ultium Cells LLC as collateral (Note 18).

³ The details of issued exchangeable bonds (Tranche 1) are as follows:

Category	Details
Aggregate principal amount	USD 1,000,000,000
Issue price	USD 1,000,000,000
Interest rate (%)	1.25
Issue Date	July 18, 2023
Maturity Date	July 18, 2028
Principal Repayment Method	Maturity repayment: Lump-sum repayment at maturity of the remaining principal and interest of debentures that have been repaid early by maturity or for which the right of exchange has not been exercised. Early redemption: The Parent Company has the Call Option, and the bondholder has the Put Option.
Exchange Target	1,883,636 common shares of LG Energy Solution, Ltd. However, despite the bondholder's exercise of the exchange right, the issuer has the option to settle by paying cash equivalent to the consideration instead of issuing the target shares.
Exchange Price (KRW/share)	687,500 (23.07.11 closing price X premium 125%) However, the exchange price may be adjusted according to the standards set in the investment prospectus, such as when the target company pays stock dividends.
Claim Period	August 28, 2023 – July 11, 2028
Early Redemption at the Option of the Issuer	1) After three years and 14 days from the date of payment, if there are more than 20 trading days out of 30 consecutive trading days when the stock price (based on closing price) is 130% or more of the exchange price based on U.S. dollar conversion. 2) When the outstanding principal is less than 10% of the original debt (Clean Up Call) 3) When additional tax burden arises due to revision of related laws, etc.
Early Redemption at the Option of the Bondholders	1) Can be exercised on 2025.07.18 (Optional Put Date) 2) When Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on the Relevant Stock Exchange 3) When there is a change in control of the company or the issuer of stocks subject to exchange (Change of Control) 4) When the issuer acquires more than 85% of the Voting Rights of the issued capital of LG Energy Solution (Free

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Category	Details
	Float)

⁴ The details of issued exchangeable bonds (Tranche 2) are as follows:

Category	Details
Aggregate principal amount	USD 1,000,000,000
Issue price	USD 1,000,000,000
Interest rate (%)	1.60
Issue Date	July 18, 2023
Maturity Date	July 18, 2030
Principal Repayment Method	Maturity repayment: Lump-sum repayment at maturity of the remaining principal and interest of debentures that have been repaid early by maturity or for which the right of exchange has not been exercised. Early redemption: The Parent Company has the Call Option, and the bondholder has the Put Option.
Exchange Target	1,811,188 common shares of LG Energy Solution, Ltd. However, despite the bondholder's exercise of the exchange right, the issuer has the option to settle by paying cash equivalent to the consideration instead of issuing the target shares.
Exchange Price (KRW/share)	715,000 (23.07.11 closing price X premium 130%) However, the exchange price may be adjusted according to the standards set in the investment prospectus, such as when the target company pays stock dividends.
Claim Period	August 28, 2023 – July 11, 2030
Early Redemption at the Option of the Issuer	1) After five years and 14 days from the date of payment, if there are more than 20 trading days out of 30 consecutive trading days when the stock price (based on closing price) is 130% or more of the exchange price based on U.S. dollar conversion. 2) When the outstanding principal is less than 10% of the original debt (Clean Up Call) 3) When additional tax burden arises due to revision of related laws, etc.
Early Redemption at the Option of the Bondholders	1) Can be exercised on 2027.07.18 (Optional Put Date) 2) When Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on the Relevant Stock Exchange 3) When there is a change in control of the company or the issuer of stocks subject to exchange (Change of Control) 4) When the issuer acquires more than 85% of the Voting Rights of the issued capital of LG Energy Solution (Free Float)

⁵ The details of issued exchangeable bonds (Tranche 3) are as follows:

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Category	Details
Aggregate principal amount	USD 1,000,000,000
Issue price	USD 1,000,000,000
Interest rate (%)	1.75
Issue Date	June 16, 2025
Maturity Date	June 16, 2028
Principal Repayment Method	<p>Maturity repayment: Lump-sum repayment at maturity of the remaining principal and interest of debentures that have been repaid early by maturity or for which the right of exchange has not been exercised.</p> <p>Early redemption: The Parent Company has the Call Option, and the bondholder has the Put Option.</p>
Exchange Target	4,129,404 common shares of LG Energy Solution, Ltd. However, despite the bondholder's exercise of the exchange right, the issuer has the option to settle by paying cash equivalent to the consideration instead of issuing the target shares.
Exchange Price (KRW/share)	337,700 (25.05.15 closing price X premium 110%). However, the exchange price may be adjusted according to the standards set in the investment prospectus, such as when the target company pays stock dividends.
Claim Period	July 27, 2025 – June 09, 2028
Early Redemption at the Option of the Issuer	<p>1) After two years and 14 days from the date of payment, if there are more than 20 trading days out of 30 consecutive trading days when the stock price (based on closing price) is 120% or more of the exchange price based on U.S. dollar conversion.</p> <p>2) When the outstanding principal is less than 10% of the original debt (Clean Up Call)</p> <p>3) When additional tax burden arises due to revision of related laws, etc.</p>
Early Redemption at the Option of the Bondholders	<p>1) When Shares cease to be listed or admitted to trading or are suspended for a period equal to or exceeding 30 consecutive Trading Days on the Relevant Stock Exchange</p> <p>2) When there is a change in control of the company or the issuer of stocks subject to exchange (Change of Control)</p> <p>3) When the issuer acquires more than 85% of the Voting Rights of the issued capital of LG Energy Solution (Free Float)</p>

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Details of the exchangeable bonds (Tranche 1) as of the date of issuance, as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	July 18, 2023		December 31, 2024		September 30, 2025	
Issue price	₩	1,266,100	₩	1,470,000	₩	7,993
Book amount of exchangeable bonds		991,756		1,273,431		7,104
Derivative financial liabilities		263,532		156,776		276

¹ For the nine-month period ended September 30, 2025, the Parent Company repurchased some of the debentures for ₩ 837,985 million, and the book amount as of the date of repurchase was ₩ 811,249 million (total book amount of ₩ 1,323,192 million). The difference between the repurchase amount and the book amount of ₩ 26,736 million was recognized as finance costs. In addition, for the nine-month period ended September 30, 2025, the Parent Company repaid the debenture amounting to ₩ 530,173 million due to the exercise of the call option of the investors, and the book amount as of the date of repayment was ₩ 515,367 million (total book amount of ₩ 525,905 million). The difference between the repayment amount and the book amount of ₩ 14,804 million was recognized as finance costs.

Details of the exchangeable bonds (Tranche 2) as of the date of issuance, as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	July 18, 2023		December 31, 2024		September 30, 2025	
Issue price	₩	1,266,100	₩	1,470,000	₩	1,402,200
Book amount of exchangeable bonds		914,412		1,187,914		1,156,682
Derivative financial liabilities		340,876		194,334		150,077

Details of the exchangeable bonds (Tranche 3) as of the date of issuance and as at September 30, 2025, are as follows:

<i>(in millions of Korean won)</i>	June 16, 2025		September 30, 2025	
Issue price	₩	1,366,800	₩	1,401,920
Book amount of exchangeable bonds		1,017,330		1,081,179
Derivative financial liabilities		337,914		426,660

¹ For the nine-month period ended September 30, 2025, 825 shares amounting to USD 200,000 were exchanged due to the exercise of the right of exchange of the investors.

The Group has entered into an agreement stipulating that, if the Group fails to maintain the covenant ratios for bonds and borrowings as at the end of each reporting period for quarterly, semi-annual, or annual reports, an event of default will occur. As at September 30, 2025, the related amount is ₩ 12,804,467 million.

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Details of lease liabilities as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>		September 30, 2025				
		Annual interest rate (%)	Latest maturity date	Total amount	Current	Non-current
Leaser						
Korea World Service and others		0.67 ~ 9.00	2082.02.28	₩ 930,230	₩ 149,973	₩ 780,257

<i>(in millions of Korean won)</i>		December 31, 2024				
		Annual interest rate (%)	Latest maturity date	Total amount	Current	Non-current
Leaser						
Hyundai Oil Bank and others		0.67 ~ 9.00	2082.02.28	₩ 914,753	₩ 141,096	₩ 773,657

15. Provisions

Changes in provisions for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>		September 30, 2025						
		Warranty ¹	Greenhouse gas emission ²	Others ³	Total			
Beginning balance	₩	1,697,602	₩	11,169	₩	145,956	₩	1,854,727
Transfer to liabilities held for sale (Note 34)		(534)		-		-		(534)
Additions		459,176		7,859		27,785		494,820
Used		(324,955)		(10,660)		(2,186)		(337,801)
Ending balance	₩	<u>1,831,289</u>	₩	<u>8,368</u>	₩	<u>171,555</u>	₩	<u>2,011,212</u>
Current	₩	797,538	₩	8,368	₩	137,479	₩	943,385
Non-current		1,033,751		-		34,076		1,067,827

<i>(in millions of Korean won)</i>		December 31, 2024						
		Warranty ¹	Greenhouse gas emission ²	Others ³	Total			
Beginning balance	₩	1,279,460	₩	8,966	₩	146,299	₩	1,434,725
Business combination (Note 37)		1,807		-		-		1,807
Additions		1,050,412		10,734		47,348		1,108,494
Used		(634,077)		(8,531)		(47,691)		(690,299)
Ending balance	₩	<u>1,697,602</u>	₩	<u>11,169</u>	₩	<u>145,956</u>	₩	<u>1,854,727</u>
Current	₩	923,777	₩	11,169	₩	119,613	₩	1,054,559
Non-current		773,825		-		26,343		800,168

¹ Warranty provisions have been accrued based on historical experience for the estimated warranty costs to be incurred due to quality guarantee, exchanges and refunds of products. The warranty provisions also include provisions related to replacement costs for ESS due to fire accidents and voluntary recalls of automotive batteries are determined based on the best estimates. The provisions are adjusted to reflect the current best estimate. As at September 30,

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2025, the warranty provision included ₩ 1,826,839 million (December 31, 2024: ₩ 1,693,916 million) of warranty provision for LG Energy Solution, Ltd. and its subsidiaries.

² Greenhouse gas emission provisions have been accrued for estimated expenditures to be obligated for any excess emission. The estimated emission as at September 30, 2025, amounts to 6,358 thousand tons (December 31, 2024: 8,707 thousand tons).

³ The Group is recognizing provisions for certain pending lawsuits and estimating the costs required for soil contamination restoration and other recovery to account for these provisions.

16. Net Defined Benefit Assets

Details of net defined benefit assets recognized in the consolidated statements of financial position as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025		December 31, 2024	
Present value of defined benefit obligations ¹	₩	2,040,973	₩	1,967,056
Fair value of plan assets		(2,089,046)		(2,174,317)
Assets in the consolidated statement of financial position	₩	(48,073)	₩	(207,261)

¹ The present value of retirement benefit obligations is net of existing contributions to the National Pension Plan of ₩ 452 million as at September 30, 2025 (December 31, 2024: ₩ 508 million).

The amounts recognized in the consolidated interim income statements for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Current service cost ¹	₩ 57,871	₩ 173,082	₩ 54,804	₩ 163,462
Interest cost	(2,152)	(6,396)	(5,593)	(16,728)
Total, included in employee benefit expenses	₩ 55,719	₩ 166,686	₩ 49,211	₩ 146,734

¹ The above amounts excluded ₩ 1,927 million (2024: ₩ 978 million) of expenses capitalized to construction in progress and development costs.

Post-employment benefits recognized for defined contribution plan for the nine-month period ended September 30, 2025, amounted to ₩ 20,871 million (2024: ₩ 13,019 million).

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Post-employment benefits recognized in the consolidated interim income statements for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 30,700	₩ 92,146	₩ 27,342	₩ 84,891
Selling and administrative expenses	30,151	93,673	23,073	69,498
Discontinued operations	620	1,738	1,820	5,364
Total	₩ 61,471	₩ 187,557	₩ 52,235	₩ 159,753

Movements in the present value of defined benefit obligations for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Beginning balance	₩	1,967,056	₩	1,750,986
Transferred-in liability due to intercompany transfer		2,296		3,499
Transferred-out liability due to intercompany transfer		(2,797)		(2,799)
Transfer to assets held for sale (Note 34)		(9,246)		-
Current service cost		175,009		218,902
Interest expense		59,252		79,360
Remeasurements:				
Actuarial loss arising from change in demographic assumptions		-		1,467
Actuarial loss arising from change in financial assumptions		-		122,060
Actuarial gain arising from experience adjustments		-		(15,588)
Others		-		(134)
Exchange differences		(1,305)		(1,316)
Payments from plans ¹		(149,292)		(189,381)
Ending balance	₩	2,040,973	₩	1,967,056

¹ The amount paid to employees who converted to the defined contribution plan for the nine-month period ended September 30, 2025, is ₩ 105,077 million (December 31, 2024: ₩ 116,809 million).

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Movements in the fair value of plan assets for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	₩	2025	₩	2024
Beginning balance	₩	2,174,317	₩	2,233,925
Transferred-in plan assets due to intercompany transfer		1,500		-
Transferred-out plan assets due to intercompany transfer		(300)		(905)
Transfer to assets held for sale (Note 34)		(9,246)		-
Interest income		65,647		101,661
Remeasurements:				
Return on plan assets (excluding amounts included in interest income)		(1,033)		(9,196)
Contributions:				
Employers		1,288		24,523
Payments from plans ¹		(140,971)		(171,633)
Administrative costs		(2,156)		(4,058)
Ending balance	₩	2,089,046	₩	2,174,317

¹The amount paid to employees who converted to the defined contribution plan for the nine-month period ended September 30, 2025, is ₩ 105,077 million (December 31, 2024: ₩ 116,809 million).

The actual return on plan assets for the nine-month period ended September 30, 2025, was ₩ 64,614 million (December 31, 2024: ₩ 92,465 million).

The significant actuarial assumptions as at September 30, 2025 and December 31, 2024, are as follows:

	September 30, 2025	December 31, 2024
Discount rate	3.8%~4.1%	3.8%~4.1%
Salary growth rate	4.0%~6.0%	4.0%~6.0%

The sensitivity analysis for changes in key actuarial assumptions as at September 30, 2025, is as follows:

<i>(in millions of Korean won)</i>	Increase by 1%		Decrease by 1%	
Discount rate:				
Increase (decrease) in defined benefit obligations	₩	(221,250)	₩	261,253
Salary growth rate:				
Increase (decrease) in defined benefit obligations		270,077		(231,566)

The decline in rate of return of the gilt, which is the discount rate, is exposed to the most significant risk through an increase in the defined benefit liability.

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The above sensitivity analyses are 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 recognized on the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Plan assets as at September 30, 2025 and December 31, 2024, consist of:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
	Amount	Composition (%)	Amount	Composition (%)
Insurance contracts with guaranteed yield	₩ 2,074,374	99.3	₩ 2,158,859	99.3
Equity linked bonds	14,669	0.7	15,441	0.7
Time deposits	3	0.0	17	0.0
	<u>₩ 2,089,046</u>	<u>100.0</u>	<u>₩ 2,174,317</u>	<u>100.0</u>

Plan assets consist of various debt instruments with principal and interest protection and others which have no quoted market prices in an active market.

17. Other Current and Non-Current Liabilities

Details of other current and non-current liabilities as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Current				
Advances from customers	₩	579,234	₩	230,803
Withholdings		203,421		454,000
Unearned revenues		54,590		90,941
Accrued expenses		645,504		391,458
Total	<u>₩</u>	<u>1,482,749</u>	<u>₩</u>	<u>1,167,202</u>
Non-current				
Long-term accrued expenses	₩	94,906	₩	91,977
Long-term unearned revenues		28,544		103,182
Long-term advances from customers		1,928,188		2,509,323
Total	<u>₩</u>	<u>2,051,638</u>	<u>₩</u>	<u>2,704,482</u>

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18. Commitments and Contingencies

- (a) As at September 30, 2025, the Parent Company and certain subsidiaries have been guaranteed by Seoul Guarantee Insurance Company for the payment and others.
- (b) As at September 30, 2025, the Parent Company and certain subsidiaries have various specific line of credit agreements with several financial institutions, as follows:

(Unit: Korean won in millions, foreign currencies in millions)

Classification	The Parent Company		Certain Subsidiaries									
	KRW	USD	KRW	USD	CNY	EUR	INR	THB	MYR	JPY	PLN	CAD
Limit of bank overdraft	20,400	-	-	70	-	330	-	-	-	-	-	-
Limit of the letter of credit	15,000	465	-	112	330	-	-	-	-	450	-	-
Limit of discount of notes from export	-	905	-	1,153	1,500	-	-	-	-	-	-	-
Limit of guaranteed payments in other foreign currency	-	224	50,600	1,288	1,065	-	-	-	-	-	311	6
Limit of loan arrangements	350,000	-	1,910,000	10,186	11,260	2,161	4,670	10	450	-	-	-
Limit of import loan	-	-	-	40	-	-	-	-	-	-	-	-
Derivative instruments	-	-	430,000	3,425	-	210	-	-	-	-	-	-

The Parent Company also has entered into comprehensive credit line agreements with other financial institutions relating to trade finance and import/export amounting to ₩ 20,000 million (including ₩ 5,000 million of overdraft loan) and USD 235 million. Certain subsidiaries have entered into comprehensive credit line agreements amounting to USD 10 million and factoring agreements with a limit of ₩ 100,000 million and USD 500 million.

- (c) As at September 30, 2025, the Parent Company and certain subsidiaries have B2B purchase arrangements with several financial institutions. The Parent Company's limit is ₩278,000 million, while the limits for certain subsidiaries are ₩200,000 million, USD 310 million, and CNY 1,390 million.
- (d) As at September 30, 2025, the Parent Company and its subsidiaries have reverse factoring agreements with Lotte Card, Shinhan Card, and Hyundai Card. Of the limits granted by these card companies, the Parent Company is utilizing Shinhan Card's limit of ₩162,478 million and Hyundai Card's limit of ₩31,961 million
- (e) As at September 30, 2025, the Group's litigation status is as follows:

As at September 30, 2025, in connection with styrene monomer gas leakage accident, several lawsuits against the Group have been filed with National Green Tribunal of India (NGT) and Andhra Pradesh High Court (APHC). The ultimate outcome of these cases cannot be

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determined at the reporting date. The Group deposited INR 500 million under the order from NGT, and deposited INR 953 million generated from sales of inventories under the order from APHC in connection with this accident. The manufacturing facility is currently closed with limited access in accordance with the order from APHC.

As at September 30, 2025, in relation to small rechargeable batteries sales and General Motors ("GM") Bolt EV, the consumers have filed six class actions against the Group. However, the ultimate outcome of these cases cannot be determined at the reporting date.

In addition, as at September 30, 2025, the Parent Company and certain subsidiaries have been named as plaintiffs in 11 (related claim amount of ₩ 33,923 million) and 21 (related claim amount of USD 90 million and ₩ 5,169 million) legal actions, respectively. They have been named as defendants in 11 and 65 legal actions, respectively, with ₩ 15,868 million, USD 157 million and ₩ 2,456 million respectively, in claims. The ultimate outcome of these cases cannot be determined at the reporting date.

- (f) The Group has entered into multiple technology license agreements with ExxonMobil and others to be provided with licenses for technologies and services.
- (g) The Group has entered into a license agreement with LG Corp. to use trademarks on the products that the Group manufactures and sells, and on the services the Group provides in relation to its business.
- (h) As at September 30, 2025, the Group has entered into a payment guarantee contract of USD 7 million, and certain subsidiaries have entered into payment guarantee contracts of USD 30 thousand and EUR 2 million with financial institutions to guarantee the warranty of products and payment. Certain subsidiaries have entered into payment guarantee contracts of CNY 44 million with financial institutions in relation to the customs procedures of imported raw materials.
- (i) As at September 30, 2025, the Group has entered into a turnkey construction contract for a combined heat and power plant within the Yeosu Hwachi Complex with DL E&C CO.,LTD., and the Group has received contract guarantee amounting to ₩ 26,681 million by Construction Guarantee.
- (j) Capital expenditure arrangement that has not incurred as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025	December 31, 2024
Property, plant and equipment	₩ 6,853,843	₩ 10,001,365

- (k) As at September 30, 2025, the Group has entered into an agreement with GM regarding joint investment in Ultium Cells Holdings LLC and Ultium Cells LLC, whereby each party can sell its shares to third parties in eight years after the inception of the contract. In addition, if one party defaults, the other party has the right-to-purchase shares from the other party. The Group completed the process of approval by the government for the use of core technologies according to the Industrial Technology Protection Act. In addition, the Group provided payment guarantees to the joint venture amounting to USD 895 million according to the ratio of portion in the borrowing with a total amount of USD 1,790 million, and secured the borrowing with comprehensive assets of Ultium Cells LLC as collateral.
- (l) As at September 30, 2025, the Group has entered into a joint venture agreement with Honda in which the Group agreed to invest USD 1,802 million. At the end of the current period, a total investment of USD 1,801 million has been made. In addition, the Group provided payment guarantees to the joint venture amounting to USD 510 million according to the ratio of portion

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in the borrowing with a total credit line of USD 1,000 million. Additionally, in the event of default of one party, the other equity investors have the right to purchase the corresponding interests.

- (m) As at September 30, 2025, the Group has entered into a joint venture agreement with Stellantis in which the Group agreed to invest USD 1,464 million. At the end of the current period, a total investment of USD 1,020 million has been made. Additionally, in the event of default one party, the other equity investors have the right to purchase the corresponding interests. In addition, the Group provided payment guarantees to the joint venture amounting to USD 686 million according to the ratio of portion in the borrowing with a total credit line of USD 1,344 million.
- (n) As at September 30, 2025, the Group has entered into a joint venture agreement with HMG Global LLC, and the Group completed the investment for the committed amount of USD 1,084 million. Additionally, after the expiration of the contract period, it is possible to transfer the corresponding interest to a third party, and in the event of default of one party, the other equity investors have the right to purchase the corresponding interest.
- (o) As at September 30, 2025, the Group has entered into an agreement to construct a new plant for LG Energy Solution Arizona, Inc which amounts to USD 2,048 million.
- (p) As at September 30, 2025, the Group and certain subsidiaries' investment agreements are as follows:

<i>(in millions of Korean won, USD and EUR)</i>	Currency	Committed investments	Cumulative investments	Remaining
KBE Fund	KRW	150,000	109,743	25,997
Phoenix Venture Partners III ¹	USD	10	6	4
Gross Acceleration Fund	KRW	5,000	5,000	-
BNZ (Beyond Net Zero) Fund	USD	150	104	46
Secondary battery growth Fund	KRW	6,700	4,677	-
BCM Global Battery Fund	KRW	30,000	19,587	10,413
Yonsei Technology Holdings IP Fund	KRW	3,000	2,040	960
U.S. Venture Partners XII ¹	USD	5	5	-
U.S. Venture Partners XIII ¹	USD	5	2	3
Emerald Industrial Innovation Fund IX ¹	EUR	5	1	4

¹ Investment agreements of LG Chem Fund LLC.

- (q) The Group has the right to request GS EPS to sell all of its shares at fair value, once in a year, after 20 years from the commencement of commercial operation of its subsidiary, TW Biomassenergy Co., Ltd. Additionally, GS EPS has the right to request LG Chem to purchase all of its shares at fair value.
- (r) The Group acquired 50% of new shares issued by LG Toray Hungary Battery Separator Kft. for USD 375 million in accordance with the joint venture agreement entered into in 2022 with Toray Industries, Inc. The shares were recognized as investment in joint venture, as it was determined that there was a joint control under the agreement. The details on agreements entered into upon the acquisition of shares are as follows:

Category	Details
Agreement to purchase additional shares	On December 16, 2024, which was after 30 months from the acquisition date of the 50% shares, the Parent Company was expected to acquire 70% shares in total by acquiring an

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Category	Details
	additional 20% shares of the joint venture. However, in accordance with the final agreement between the two parties on October 1, 2025, the Parent Company plans to acquire 100% shares of the joint venture by December 31, 2025, through acquiring 20% shares previously scheduled for purchase and the remaining 30% shares.
Restrictions on share transfer	<ul style="list-style-type: none"> - During the lock-up period¹, share transfer is prohibited without prior written consent of the other shareholder. - When sold to a third party, the Parent Company holds a drag-along right and Toray Industries, Inc. holds a tag-along right.
Default	In case the Parent Company or the counterpart in the contract defaults, non-default shareholder has the right to request the default shareholder to sell their shares (Call Option) and the default shareholder to purchase the shares held by the non- default shareholder (Put Option).
Exit put option	Once the lock-up period ¹ ends, the other shareholder has a put option to sell the remaining 30% of the shares to the Parent Company.
Deadlock	<p>After 30 months from the acquisition date of the 50% shares, in the event of a deadlock agreed by both parties,</p> <ol style="list-style-type: none"> 1) the Parent Company holds a call option to request the counterpart and subsidiaries to sell their shares. 2) The counterpart holds a put option to request the Parent Company to purchase shares of the counterparty.

¹ Lock-up period: Restriction period of share transfer for five years from the time the Parent Company acquires 50% of the shares.

- (s) The Group has entered into following arrangements related to LG-Eni Biorefining Co., Ltd. Unless otherwise specified in the agreement, transfer of shares is prohibited without prior written consent of the other shareholder for a period of five years from the commencement of production by LG-Eni Biorefining Co., Ltd (lock-up period). Once the lock-up period ends, if a transferring shareholder sells shares to a third party, the other shareholder has the right to exercise the right of first offer. In addition, in case the Group is the transferring shareholder and if Enilive S.p.A. refuses or fails to exercise the right of first offer, Enilive S.p.A. has the right to request to sell their shares under the same conditions.
- (t) For the year ended December 31, 2023, and the nine-month period ended September 30, 2025, the Group issued exchangeable bonds targeting the stocks of LG Energy Solution, LTD., and recognized the right of exchange and option included in the exchangeable bonds as a derivative financial liability (Note 14).
- (u) As at September 30, 2025, the Group has provided as collateral for borrowings of ₩ 318,000 million from the KDB Bank, and upon the completion of the building or acquisition of land ownership, the Group has committed to provide the first senior security right (maximum amount of ₩ 618,000 million) to the KDB Bank (Note 11).
- (v) LG Energy Solution Michigan Inc. and Ultium Cells LLC, subsidiaries of the Group, entered into an asset purchase agreement in March 2025. LG Energy Solution Michigan Inc. has acquired assets of the Ultium Cells LLC's Plant 3 for USD 2,154 million. Ultium Cells LLC has an obligation to pay a portion of the transaction amount to the non-controlling shareholders of the Group, and it has an obligation to pay USD 928 million as at September 30, 2025.

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19. Issued Capital

Changes in issued capital and share premium for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

*(in millions of Korean won
and in shares)*

	Ordinary shares		Preferred shares		Share premium
	Number of shares	Issued capital	Number of shares	Issued capital	
January 1, 2024	70,592,343	₩ 352,962	7,688,800	₩ 38,444	₩ 2,014,036
December 31, 2024	70,592,343	352,962	7,688,800	38,444	2,014,036
September 30, 2025	70,592,343	₩ 352,962	7,688,800	₩ 38,444	₩ 2,014,036

Changes in treasury shares for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won and in shares)</i>	Number of shares		Carrying amount	Gain on disposal of treasury shares
	Ordinary shares	Preferred shares		
January 1, 2024	-	6,041	₩ 270	₩ 655,927
Acquisition of shares	1	-	-	-
December 31, 2024	1	6,041	270	655,927
Acquisition of shares	1	-	-	-
September 30, 2025	2	6,041	₩ 270	₩ 655,927

Capital surplus as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025		December 31, 2024	
Revaluation reserve	₩	206,769	₩	206,769
Share premium		2,014,036		2,014,036
Gain on disposal of treasury shares		655,927		655,927
Other capital surplus		8,692,389		8,692,138
Total	₩	11,569,121	₩	11,568,870

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20. Retained Earnings

Retained earnings as at September 30, 2025 and December 31, 2024, consist of:

<i>(in millions of Korean won)</i>	September 30, 2025	December 31, 2024
Legal reserve ¹	₩ 846,421	₩ 849,167
Discretionary reserve ²	16,734,455	16,779,743
Retained earnings before appropriation	509,961	963,264
Total	₩ 18,090,837	₩ 18,592,174

¹ The Commercial Code of the Republic of Korea requires the Group to appropriate for each financial period, as a legal reserve, an amount equal to a minimum of 10% of cash dividends paid until such reserve equals 50% of its issued capital. The reserve is not available for cash dividends payment, but may be transferred to capital or used to reduce accumulated deficit. When the accumulated legal reserves (the sum of capital reserves and earned profit reserves) are greater than 1.5 times the paid-in capital amount, the excess legal reserves may be distributed in accordance with a resolution of the shareholders' meeting.

² The Group separately accumulates a discretionary reserve for research and human resource development through appropriation of retained earnings, which has been included as deductible expense for the corporate income tax return according to the Special Tax Treatment Law. Among these reserves, the used amounts for each specific purpose and the balances after use can be transferred to discretionary reserve and will be available for dividends.

21. Elements of Other Stockholders Equity

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

<i>(in millions of Korean won)</i>	September 30, 2025	December 31, 2024
Treasury shares (Note 19)	₩ (270)	₩ (270)
Capital transactions within the Group ¹	(19,299)	(19,299)
Total	₩ (19,569)	₩ (19,569)

¹ Gain or loss on disposal interest within the consolidated entity, changes in ownership interests and the investment difference, etc., all adjusted for the related deferred corporate tax effects.

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22. Operating Income

Operating Income for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Revenue	₩ 11,196,170	₩ 34,735,033	₩ 12,620,267	₩ 36,418,365
Cost of sales	8,808,053	28,426,733	10,352,748	30,414,784
Gross profit	2,388,117	6,308,300	2,267,519	6,003,581
Other operating income ¹	365,496	1,313,973	465,974	1,102,722
Selling and administrative expenses	2,073,898	6,028,109	2,243,987	5,970,378
Wages and salaries	473,933	1,428,262	442,157	1,312,104
Post-employment benefits (Note 16)	30,152	93,673	23,072	69,498
Employee benefits	107,335	335,758	105,745	325,019
Travel expense	23,000	76,411	26,468	74,404
Water and utilities	44,682	125,595	37,771	106,403
Packaging expense	4,278	10,253	4,041	10,857
Rental expenses	32,238	88,134	32,917	102,135
Commission expenses	279,417	815,435	297,394	803,638
Depreciation (Notes 11 and 36)	138,078	392,671	107,352	307,907
Advertising expense	15,992	51,873	20,447	62,253
Freight expenses	189,052	635,548	268,191	667,118
Training expense	10,459	25,557	12,001	33,436
Amortization (Note 12)	117,501	348,922	92,195	269,467
Sample expense	6,179	18,820	8,673	26,158
Development costs	177,807	465,998	140,164	416,939
Others	423,795	1,115,199	625,399	1,383,042
Operating income	₩ 679,715	₩ 1,594,164	₩ 489,506	₩ 1,135,925

¹ Under the Inflation Reduction Act, which takes effect on January 1, 2023, manufacturers and sellers of battery cells/modules produced in the United States are eligible for tax deductions of a certain amount. This is the amount the Group is expected to receive for the nine-month period ended September 30, 2025.

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23. Classification of Expenses by Nature

Cost of sales, and selling and administrative expenses by nature for the three-month and nine-month periods ended September 30, 2025 and 2024, consist of:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Changes in inventories of finished goods, semi-finished goods, merchandise and work in process	₩ (686,821)	₩ 205,132	₩ (88,456)	₩ 82,414
Raw materials and consumables used	5,951,976	18,373,558	7,239,221	21,286,187
Purchase of merchandise	529,451	1,173,568	393,006	1,134,728
Employee benefit expenses (Note 24)	1,260,880	3,786,733	1,189,979	3,750,880
Advertising expenses	16,539	53,170	21,030	63,780
Freight expenses	201,115	667,552	283,079	705,118
Commission expenses	598,552	1,752,669	494,741	1,313,747
Depreciation and amortization (Notes 11, 12, and 36)	1,323,572	3,814,608	1,205,047	3,359,546
Rent expenses and usage fee	23,692	71,050	27,441	78,613
Other expenses	1,662,995	4,556,802	1,831,647	4,610,149
Total	₩ 10,881,951	₩ 34,454,842	₩ 12,596,735	₩ 36,385,162

24. Employee Benefit Expenses

Details of employee benefit expenses for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Salaries	₩ 1,032,224	₩ 3,082,890	₩ 963,316	₩ 3,040,201
Post-employment benefits – Defined benefit plan (Note 16)	55,115	164,985	47,524	142,119
Post-employment benefits – Defined contribution plan (Note 16)	5,736	20,834	2,891	12,270
Others	167,806	518,024	176,248	556,290
Total	₩ 1,260,881	₩ 3,786,733	₩ 1,189,979	₩ 3,750,880

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25. Finance Income and Costs

Details of finance income and costs for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Finance income				
Interest income ¹	₩ 75,213	₩ 245,372	₩ 86,293	₩ 270,877
Dividend income	-	3,083	7,685	10,061
Exchange differences	(266,529)	1,110,714	240,514	577,303
Gain related to derivative instruments	543	90,371	(202,734)	351,746
Gain related to financial assets	31,926	53,437	(5,288)	24,115
Total	₩ (158,847)	₩ 1,502,977	₩ 126,470	₩ 1,234,102
Finance costs				
Interest expense ²	₩ 340,822	₩ 931,919	₩ 262,512	₩ 687,788
Exchange differences	132,763	480,423	(310,444)	531,851
Loss related to derivative instruments	(351,061)	515,214	110,692	119,574
Loss related to financial assets	(7,182)	39,738	13,573	17,232
Loss on repayment of debentures	14,804	41,540	-	-
Total	₩ 130,146	₩ 2,008,834	₩ 76,333	₩ 1,356,445

¹ Details of interest income for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Financial assets at amortized cost	₩ 75,213	₩ 245,372	₩ 86,293	₩ 270,877
	₩ 75,213	₩ 245,372	₩ 86,293	₩ 270,877

² Details of interest expense for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Financial liabilities at amortized cost	₩ 358,455	₩ 994,719	₩ 305,402	₩ 789,757
Interest on lease liabilities	9,700	28,393	1,296	7,419
Other interest expenses	1,200	3,925	586	3,677
Capitalized interest for qualifying assets	(28,533)	(95,118)	(44,772)	(113,065)
Total	₩ 340,822	₩ 931,919	₩ 262,512	₩ 687,788

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26. Other Non-operating Income

Details of other non-operating income for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Exchange differences	₩ 81,579	₩ 592,413	₩ 107,966	₩ 637,338
Gain on disposal of property, plant and equipment	23,510	45,927	(1,478)	2,090
Gain on disposal of intangible assets	-	-	-	14
Insurance income	11,674	15,123	762	3,177
Others	10,245	38,580	125,760	149,573
Total	₩ 127,008	₩ 692,043	₩ 233,010	₩ 792,192

27. Other Non-operating Expenses

Details of other non-operating expenses for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Exchange differences	₩ (23,701)	₩ 755,939	₩ 261,342	₩ 541,408
Loss on disposal of property, plant and equipment	27,739	66,814	72,429	164,663
Loss on disposal of intangible assets	3,271	24,852	710	1,965
Impairment loss on property, plant and equipment (Note 11)	16,288	34,833	(3,288)	117,507
Impairment loss on intangible assets (Note 12)	381	737	26,923	27,848
Loss on disasters	2,274	31,426	668	778
Donations	1,269	6,715	10,729	20,994
Others	25,541	38,930	24,258	46,038
Total	₩ 53,062	₩ 960,246	₩ 393,771	₩ 921,201

28. Tax Expense and Deferred Tax

Income tax expense is recognized based on the best estimate of weighted average annual income tax rate expected for the entire financial year

The Group is subject to the Pillar Two model rules, and LG Chem Hai Phong Engineering Plastics LLC., operating in Vietnam, is liable for additional tax expenses. For the nine-month period ending September 30, 2025, the Group recognized current income tax expense ₩ 606 million under Pillar II model. The Group applied the exception for recognizing and disclosing information about deferred tax.

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29. Earnings per Share

Basic losses per share is calculated by dividing the loss attributable to owners of the Parent Company by the weighted average number of shares in issue excluding shares purchased by the Parent Company and held as treasury shares. As at the reporting date, the Parent Company has no potential ordinary shares. Preferred shares have a right to participate in the losses of the Group. These participation rights have been considered in presenting the losses per share information for both of ordinary shares and preferred shares.

Basic losses per share for loss from continuing operations and losses per share attributable to the owners of the Parent Company for the three-month and nine-month periods ended September 30, 2025 and 2024, are computed as follows:

Basic earnings (losses) per ordinary share from continuing operations

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Profit (loss) from continuing operations attributable to ordinary shares ¹	₩ 122,824	₩ (356,045)	₩ 60,456	₩ (163,435)
Weighted average number of ordinary shares outstanding <i>(in shares)</i>	70,592,342	70,592,342	70,592,343	70,592,343
Basic earnings (losses) per ordinary share from continuing operations <i>(in won)</i>	₩ 1,740	₩ (5,044)	₩ 856	₩ (2,315)

Basic earnings (losses) per ordinary share

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Earnings (losses) attributable to ordinary shares ¹	₩ 107,329	₩ (381,040)	₩ 490,895	₩ 328,439
Weighted average number of ordinary shares outstanding <i>(in shares)</i>	70,592,342	70,592,342	70,592,343	70,592,343
Basic earnings (losses) per ordinary share <i>(in won)</i>	₩ 1,520	₩ (5,398)	₩ 6,954	₩ 4,653

Basic earnings (losses) per preferred share from continuing operations

<i>(in millions of Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Earnings (losses) from continuing operations attributable to preferred shares ¹	₩ 13,751	(38,749)	6,964	(17,787)
Weighted average number of preferred shares outstanding <i>(in shares)</i>	7,682,759	7,682,759	7,682,759	7,682,759
Basic earnings (losses) per preferred share from continuing operations <i>(in won)</i>	₩ 1,790	(5,044)	906	(2,315)

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Basic earnings (losses) per preferred share

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Earnings (losses) attributable to preferred shares ¹	₩ 12,065	₩ (41,471)	₩ 53,809	₩ 36,129
Weighted average number of preferred shares outstanding (in shares)	7,682,759	7,682,759	7,682,759	7,682,759
Basic earnings (losses) per preferred share (in won)	₩ 1,570	₩ (5,398)	₩ 7,004	₩ 4,703

¹ Earnings (losses) attributable to ordinary and preferred shares are as follows:

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Earnings (losses) from continuing operations attributable to the ordinary equity holders of the Parent Company	₩ 136,575	₩ (394,794)	₩ 67,420	₩ (181,222)
Ordinary shares dividends (A)	21,190	-	97,902	-
Preferred shares dividends (B)	2,690	-	11,039	-
Undistributed earnings (losses) from continuing operation for the period	<u>112,695</u>	<u>(394,794)</u>	<u>(41,521)</u>	<u>(181,222)</u>
Undistributed earnings (losses) available for ordinary shares (C)	101,634	(356,045)	(37,446)	(163,435)
Undistributed earnings (losses) available for preferred shares (D)	<u>11,061</u>	<u>(38,749)</u>	<u>(4,075)</u>	<u>(17,787)</u>
Earnings (losses) from continuing operations for the period attributable to ordinary shares (A+C)	₩ 122,824	₩ (356,045)	₩ 60,456	₩ (163,435)
Earnings (losses) from continuing operations for the period attributable to preferred shares (B+D)	₩ 13,751	₩ (38,749)	₩ 6,964	₩ (17,787)

(in millions of Korean won)

	2025		2024	
	Three months	Nine months	Three months	Nine months
Earnings (losses) attributable to the ordinary equity holders of the Parent Company	₩ 119,394	₩ (422,511)	₩ 544,704	₩ 364,568
Ordinary shares dividends (A)	21,189	-	97,902	65,411
Preferred shares dividends (B)	2,690	-	11,039	7,503
Undistributed earnings (losses) for the period	<u>95,515</u>	<u>(422,511)</u>	<u>435,763</u>	<u>291,654</u>
Undistributed earnings (losses) available for ordinary shares (C)	86,140	(381,040)	392,993	263,028
Undistributed earnings (losses) available for preferred shares (D)	<u>9,375</u>	<u>(41,471)</u>	<u>42,770</u>	<u>28,626</u>
Earnings (losses) for the period attributable to ordinary shares (A+C)	₩ 107,329	₩ (381,040)	₩ 490,895	₩ 328,439
Earnings (losses) for the period attributable to preferred shares (B+D)	₩ 12,065	₩ (41,471)	₩ 53,809	₩ 36,129

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For the nine-month periods ended September 30, 2025 and 2024, there were no dilutive potential outstanding ordinary shares at the reporting date. Accordingly, diluted losses per share for loss attributable to owners of the Parent Company is identical to basic losses per share.

Basic and diluted earnings (losses) per share attributable to ordinary and preferred shares from discontinued operations for the three-month and nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in Korean won)</i>	2025		2024	
	Three months	Nine months	Three months	Nine months
Basic earnings (losses) per ordinary share from discontinued operations	₩ (220)	₩ (354)	₩ 6,098	₩ 6,968
Basic earnings (losses) per preferred share from discontinued operations	(220)	(354)	6,098	7,018
Diluted earnings (losses) per ordinary share from discontinued operations	(220)	(354)	6,098	6,968
Diluted earnings (losses) per preferred share from discontinued operations	(220)	(354)	6,098	7,018

30. Dividends

The amount of dividends and dividends per share for the nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in Korean won and number of share)</i>	2025		2024	
	Ordinary share	Preferred share	Ordinary share	Preferred share
Number of shares outstanding	70,592,343	7,688,800	70,592,343	7,688,800
Number of treasury shares	(1)	(6,041)	-	(6,041)
Number of dividend shares	70,592,342	7,682,759	70,592,343	7,682,759
Dividend per share	₩ 1,000	₩ 1,050	₩ 3,500	₩ 3,550
Total dividends <i>(in millions of Korean won)</i>	70,592	8,067	247,073	27,274

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31. Related Party Transactions

Details of related parties as at September 30, 2025 and December 31, 2024, are as follows:

Related party	Related party's subsidiary (Domestic)	Related party's subsidiary (Overseas)	Related party's associates and joint ventures
Significant influence over the group: ¹			
LG Corp.			
Subsidiaries of the entity with significant influence:			
LG CNS Co., Ltd.	Biztech On Co., Ltd. and others	LG CNS America Inc. and others	
D&O Corp.	D&O CM and others	D&O CM POLAND sp.z o.o. and others	
LG Management Development Institute			
LG Sports Ltd.			
LG Holdings Japan Co., Ltd.			
Associates and joint ventures: ²			
TECHWIN Co., Ltd.			
LG Chem Life Sciences Poland Ltd.			
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.			
TL Chemical CO., Ltd.			
KOREA PRECURSOR CO., LTD.			
LG Toray Hungary Battery Separator Kft.			
SEETEC Co., Ltd.			
Sam-a Aluminium Company, Limited			
NEXPO Co., Ltd.			
Mintech Co., Ltd. ³			
Bricks Capital Management Global Battery Private Equity Fund I			
Jeju Bukchon BESS Plant Co.,Ltd. ⁴			
PT LBM Energi Baru Indonesia ⁴			
Affiliate within the same large enterprise group ⁵			
LG Display Co., Ltd.	Nanumnuri Co., Ltd.	LG Display High-Tech (China) Co., Ltd. and others	
LG Electronics Inc.	LG Innotek Co., Ltd. and others	LG ELECTRONICS INDIA PRIVATE LIMITED and others	Robostar Co., Ltd. and others
LG Household & Health Care Ltd.	Coca-Cola Beverage Co. and others	Everlife Co., Ltd and others	
LG Uplus Corp.	LG HelloVision Corp and others.	DACOM AMERICA, INC.	DACOM Crossing Corporation
HS AD Inc.		GIIR America Inc. and	

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Related party	Related party's subsidiary (Domestic)	Related party's subsidiary (Overseas)	Related party's associates and joint ventures
		others	

¹ LG Corp. is an entity exercising a significant influence over the Group, which owns 34.95% of the Parent Company's ordinary shares.

² For the year ended December 31, 2024, the Group reclassified PT. HLI Green Power from a joint venture to a subsidiary due to changes in the shareholder's agreement.

³ Although, the Group owns less than 20% of the shares in the form of redeemable convertible preference shares, it is judged to have significant influence as it holds a right to appoint directors. Meanwhile, it is classified as a financial asset measured at fair value through profit or loss, considering Korean IFRS 1109 and the nature of the shares held.

⁴ During the nine-month period ended September 30, 2025, the Group newly acquired shares of the entity.

⁵ Although, these entities are not the related parties of the Group in accordance with Korean IFRS 1024, these entities belong to a large enterprise group in accordance with the Monopoly Regulation and Fair-Trade Act.

Sales and purchases with related parties for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025					
	Purchase and others					
	Sales and others	Purchase of raw materials /merchandises	Acquisition of property, plant and equipment and intangible assets	Acquisition of right-of-use assets	Interest expense	Others
Entity with a significant influence over the Group						
LG Corp.	₩ -	₩ -	₩ -	₩ -	₩ 196	₩ 64,953
Associates, joint ventures and others						
SEETEC Co., Ltd.	67,978	208,324	7	834	286	70,621
TECHWIN Co., Ltd.	-	5	71,192	-	-	86
KOREA PRECURSOR CO., LTD.	3,771	178,224	-	-	-	111
Others	9	68,040	483	-	-	201
Subsidiaries of the entity with significant influence:						
D&O Corp. and its subsidiaries	88	-	17,700	-	-	9,216
LG CNS Co., Ltd. and its subsidiaries	25,616	1,022	553,331	-	-	257,042
Others	-	-	-	-	-	51,530
Affiliate within the same large enterprise group:						
LG Display Co., Ltd. and its subsidiaries	259,554	266	-	-	1	45

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LG Electronics Inc. and its subsidiaries and joint ventures	427,041	167,118	497,591	-	322	186,289
Others	7,399	17,608	19	-	45	6,851
Total	₩ 791,456	₩ 640,607	₩ 1,140,323	₩ 834	₩ 850	₩ 646,945

(in millions of Korean won)

	2024					
	Purchase and others					
	Sales and others	Purchase of raw materials /merchandises	Acquisition of property, plant and equipment and intangible assets	Acquisition of right-of-use assets	Interest expense	Others
Entity with a significant influence over the Group						
LG Corp.	₩ 2	₩ -	₩ -	₩ 13,065	₩ 175	₩ 68,430
Associates, joint ventures						
SEETEC Co., Ltd.	60,481	163,003	2	136	298	73,621
TECHWIN Co., Ltd.	-	27	1,603	-	-	66
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.	357	306,173	-	-	-	-
PT. HLI Greenpower ¹	42,003	363	-	-	-	6,393
Others	1,670	35,699	-	-	-	378
Other related parties						
D&O Corp. and its subsidiaries	64	396	18,260	-	-	8,540
LG CNS Co., Ltd. and its subsidiaries	20,181	2,545	565,736	859	11	222,378
Others	89	-	-	-	-	54,735
Others						
LG Display Co., Ltd. and its subsidiaries	434,432	331	-	-	8	5
LG Electronics Inc. and its subsidiaries and joint ventures	461,654	126,144	733,683	-	244	49,352
Others	7,087	24,782	92,998	-	48	41,591
Total	₩ 1,028,020	₩ 659,463	₩ 1,412,282	₩ 14,060	₩ 784	₩ 525,489

¹ For the year ended December 31, 2024, the Group reclassified PT. HLI Green Power from a joint venture to a subsidiary due to changes in the shareholder's agreement and the above amount is transactions prior to the reclassification.

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Balances of receivables and payables arising from sales and purchases of goods and services as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025			
	Receivables			
	Trade receivables and others	Loans	Other receivables	Total
Entity with a significant influence over the Group				
LG Corp.	₩ -	₩ -	₩ 17,275	₩ 17,275
Associates, joint ventures and others				
SEETEC Co., Ltd.	7,923	-	328	8,251
TECHWIN Co., Ltd.	-	-	-	-
KOREA PRECURSOR CO., LTD.	-	-	473	473
Others	-	-	5,471	5,471
Subsidiaries of the entity with significant influence:				
D&O Corp. and its subsidiaries	-	-	-	-
LG CNS Co., Ltd. and its subsidiaries	10,818	-	-	10,818
Others	-	-	-	-
Affiliate within the same large enterprise group:				
LG Display Co., Ltd. and its subsidiaries	113,282	-	22	113,304
LG Electronics Inc. and its subsidiaries and joint ventures ¹	176,950	-	10,166	187,116
Others	118	-	2,218	2,336
Total	₩ 309,091	₩ -	₩ 35,953	₩ 345,044

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	September 30, 2025									
	Payables									
	Trade payables	Borrowings	Lease liabilities	Other payables	Total					
Entity with a significant influence over the Group										
LG Corp.	₩	-	₩	-	₩	3,384	₩	62	₩	3,446
Associates, joint ventures and others										
SEETEC Co., Ltd.		23,680		-		18,137		10,549		52,366
TECHWIN Co., Ltd.		-		-		-		39,124		39,124
KOREA PRECURSOR CO., LTD.		15,461		-		-		41		15,502
Others		1,624		-		-		207		1,831
Subsidiaries of the entity with significant influence:										
D&O Corp. and its subsidiaries		-		-		-		4,898		4,898
LG CNS Co., Ltd. and its subsidiaries		-		-		-		363,679		363,679
Others		-		-		-		1,289		1,289
Affiliate within the same large enterprise group:										
LG Display Co., Ltd. and its subsidiaries		64		-		-		33		97
LG Electronics Inc. and its subsidiaries and joint ventures ¹		21,095		-		20,417		134,593		176,105
Others		3,883		-		4,156		4,449		12,488
Total	₩	65,807	₩	-	₩	46,094	₩	558,924	₩	670,825

(in millions of Korean won)

	December 31, 2024							
	Receivables							
	Trade receivables and others	Loans	Other receivables	Total				
Entity with a significant influence over the Group								
LG Corp.	₩	-	₩	-	₩	33,379	₩	33,379
Associates, joint ventures and others								
SEETEC Co., Ltd.		6,003		-		508		6,511
TECHWIN Co., Ltd.		-		-		-		-
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.		1,549		-		72		1,621
Others		-		-		193		193
Subsidiaries of the entity with significant influence:								
D&O Corp. and its subsidiaries		-		-		-		-
LG CNS Co., Ltd. and its subsidiaries		5,155		-		13		5,168
Others		-		-		6		6
Affiliate within the same large enterprise group:								
LG Display Co., Ltd. and its subsidiaries		239,891		-		4		239,895
LG Electronics Inc. and its subsidiaries and joint ventures ¹		165,734		-		3,444		169,178
Others		76		-		2,179		2,255
Total	₩	418,408	₩	-	₩	39,798	₩	458,206

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(in millions of Korean won)

	December 31, 2024									
	Payables				Total					
	Trade payables	Borrowings	Lease liabilities	Other payables						
Entity with a significant influence over the Group										
LG Corp.	₩	-	₩	-	₩	13,390	₩	124	₩	13,514
Associates, joint ventures and others										
SEETEC Co., Ltd.		18,822		-		18,773		11,999		49,594
TECHWIN Co., Ltd.		-		-		-		328		328
HUAJIN NEW ENERGY MATERIALS(QUZHOU) CO., LTD.		57,903		-		-		-		57,903
Others		11,308		-		-		81		11,389
Subsidiaries of the entity with significant influence:										
D&O Corp. and its subsidiaries		-		-		-		5,454		5,454
LG CNS Co., Ltd. and its subsidiaries		28		-		-		527,905		527,933
Others		-		-		-		1,310		1,310
Affiliate within the same large enterprise group:										
LG Display Co., Ltd. and its subsidiaries		110		-		95		79		284
LG Electronics Inc. and its subsidiaries and joint ventures ¹		16,308		-		14,313		326,327		356,948
Others		3,839		-		2,463		8,615		14,917
Total	₩	108,318	₩	-	₩	49,034	₩	882,222	₩	1,039,574

¹ The warranty provision related to the recall of GM Bolt is not included in the above receivables and payables.

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Fund transactions with related parties for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

					2025									
	Dividends received	Dividends paid	Equity contributions in cash (capital reduction) and others		Loans	Repayment	Borrowings	Repayment						
Entity with a significant influence over the Group														
LG Corp.	₩	-	₩	24,670	₩	-	₩	-	₩	-	₩	-	₩	10,006
Associates, joint ventures and others														
SEETEC Co., Ltd.		10,000		-		-		-		-		834		1,086
Sam-A Aluminium Co., Ltd.		38		-		-		-		-		-		-
NEXPO Co., Ltd		-		-		2,375		-		-		-		-
Bricks Capital management Global Battery Private Equity Fund I		-		-		445		-		-		-		-
Jeju Bukchon BESS Plant Co.,Ltd.		-		-		900		-		-		-		-
PT LBM Energi Baru Indonesia		-		-		22,107		-		-		-		-
Subsidiary of the Group with significant influence:														
LG CNS Co., Ltd.		-		-		-		-		-		-		-
Affiliate within the same large enterprise group:														
LG Display America, Inc.		-		-		-		-		-		-		60
LG Electronics Deutschland GmbH		-		-		-		-		-		-		306
LG ELECTRONICS WROCLAW SP. Z O.O.		-		-		-		-		-		-		1,372
LG Electronics Inc.		-		-		-		-		-		10,226		3,373
LG HOUSEHOLD & HEALTH CARE LTD		-		-		-		-		-		2,308		688
Total	₩	10,038	₩	24,670	₩	25,827	₩	-	₩	-	₩	13,368	₩	16,891

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			2024				
	Dividends received	Dividends paid	Equity contributions in cash (capital reduction) and others	Loans		Borrowings ¹	
				Loans	Repayment	Borrowings	Repayment
Entity with a significant influence over the Group							
LG Corp.	₩ -	₩ 82,370	₩ -	₩ -	₩ -	₩ 13,065	₩ 9,735
Associates and joint ventures							
SEETEC Co., Ltd.	7,500	-	-	-	-	136	1,075
Sam-A Aluminium Co., Ltd.	150	-	-	-	-	-	-
NEXPO Co., Ltd	-	-	1,900	-	-	-	-
Bricks Capital management Global Battery Private Equity Fund I	-	-	5,762	-	-	-	-
Subsidiary of the Group with significant influence:							
LG CNS Co., Ltd.	-	-	-	-	-	859	642
Affiliate within the same large enterprise group:							
LG Display America, Inc.	-	-	-	-	-	-	147
LG Electronics Deutschland GmbH	-	-	-	-	-	-	264
LG ELECTRONICS WROCLAW SP. Z O.O.	-	-	-	-	-	-	1,189
LG Display Vietnam Haiphong Co. Ltd.	-	-	-	-	-	105	39
LG HOUSEHOLD & HEALTH CARE LTD	-	-	-	-	-	-	721
Total	₩ 7,650	₩ 82,370	₩ 7,662	₩ -	₩ -	₩ 14,165	₩ 13,812

¹ The amounts represent lease liabilities that were recognized or repaid for the nine-month periods ended September 30, 2025 and 2024.

Compensation for key management of the Group for the nine-month periods ended September 30, 2025 and 2024, consists of:

(in millions of Korean won)

	2025		2024	
Short-term employee benefits	₩	90,040	₩	62,344
Post-employment benefits		10,877		12,107
Total	₩	100,917	₩	74,451

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Key management includes directors and audit committee members having duties and responsibilities over planning, operations and controlling of the Group's business activities.

There is no loss allowance recognized against receivables from related parties as at September 30, 2025; therefore, there are no impairment losses recognized against the receivables from related parties for the nine-month periods ended September 30, 2025 and 2024.

32. Cash Flows

Cash generated from operations for the nine-month periods ended September 30, 2025 and 2024, are as follows:

<i>(in millions of Korean won)</i>	2025	2024
Profit (loss) before income tax		
Profit before income tax from continuing operations	₩ 681,637	₩ 1,506,677
Profit before income tax from discontinued operations	709,053	856,105
	<u>(27,416)</u>	<u>650,571</u>
Adjustments for:		
Depreciation	3,405,107	3,037,922
Amortization	418,424	342,788
Post-employment benefits	166,686	146,733
Finance income	(939,256)	(870,664)
Finance costs	1,630,127	1,035,207
Other foreign exchange differences	205,332	61,417
Loss on valuation of inventories	(49,428)	24,085
Gain on disposal of property, plant and equipment	(45,982)	(2,138)
Gain on disposal of intangible assets	-	(14)
Loss on disposal of property, plant and equipment	91,221	164,814
Loss on disposal of intangible assets	28,544	2,193
Impairment loss on property, plant and equipment	25,963	117,506
Impairment loss on intangible assets	737	27,848
Gain on disposal of investments in associates	-	(102,076)
Additions to provisions	494,820	795,719
Other income	86,220	(652,075)
Decrease in inventories	227,530	194,667
Decrease (increase) in trade receivables	551,085	(685,660)
Decrease (increase) in other receivables	(146,702)	191,483
Decrease (increase) in other assets	318,021	(453,753)
Decrease in trade payables	(244,244)	(672,902)
Increase (decrease) in other payables	1,357,277	(424,273)
Increase (decrease) in other liabilities	(325,207)	504,550
Decrease in provisions	(337,801)	(483,376)
Decrease in net defined benefit liabilities	(10,460)	(9,617)
Other cash flows from operations	(640,153)	(120,224)
Cash generated from operations	<u>₩ 6,949,497</u>	<u>₩ 3,676,836</u>

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Changes in liabilities arising from financial activities for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of
Korean won)

	2025					
	As at January 1, 2025	Cash flows from financing activities	Non-cash transactions			As at September 30, 2025
			Acquisition	Amortization	Others	
Borrowings	₩ 9,750,686	₩ 2,761,123	₩ -	₩ 2,425	₩ 238,228	₩ 12,752,462
Debentures	16,710,659	3,850,681	-	108,159	(764,700)	19,904,799
Lease liabilities	914,753	(117,996)	180,422	-	(46,949)	930,230
Other payables for the reverse factoring arrangement	439,604	(1,050,340)	-	-	805,175	194,439
	₩ 27,815,702	₩ 5,443,468	₩ 180,422	₩ 110,584	₩ 231,754	₩ 33,781,930

(in millions of
Korean won)

	2024					
	As at January 1, 2024	Cash flows from financing activities	Non-cash transactions			As at September 30, 2024
			Acquisition	Amortization	Others	
Borrowings	₩ 9,675,998	₩ 334,209	₩ -	₩ 8,346	₩ 1,082,048	₩ 11,100,601
Debentures	11,760,250	4,436,751	-	86,516	38,505	16,322,022
Lease liabilities	491,866	(97,199)	315,473	-	(19,957)	690,183
	₩ 21,928,114	₩ 4,673,761	₩ 315,473	₩ 94,862	₩ 1,100,596	₩ 28,112,806

Significant non-cash transactions for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025	2024
Reclassification of construction-in-progress	₩ 7,561,631	₩ 6,839,892
Reclassification of machinery-in-transit	56,888	132,878
Reclassification of long-term borrowings into current portion	6,638,068	2,904,664
Other payables related to acquisitions of property, plant and equipment and intangible assets	2,266,188	2,671,687
Reclassification of other payables under the reverse factoring arrangement	805,175	-
Reclassification of non-current assets held for sale	399,050	12,501
Reclassification of non-current liabilities held for sale	17,220	-
Other non-current financial liabilities related to acquisition of property, plant and equipment	2,063,996	699,100
Changes in other payables due to decrease in paid-in capital	1,323,778	-

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33. Segment Information

General information about the Group's reportable segments is as follows:

Segment	Products or services
Petrochemicals	ABS, PC, PE, PP, Acrylic, Alcohol, SAP, PVC, Synthetic rubber, Special resin, BPA, Ethylene, Propylene and others
LG Energy solution	Mobile batteries, Automotive batteries, Electricity storage batteries and others
Advanced materials ¹	Engineering materials, Display materials, Cathode materials, Separator and others
Life sciences	Growth hormone, Vaccine, Antidiabetic, agricultural chemicals and others
Common and others	Crop protection products, Seeds, Fertilizers, General management, sales and R&D and others

¹ Management approved the disposal of LCD polarizer business, polarizer and related material business and Water Solutions business, and the related profit and loss are presented as discontinued operations are disclosed in Note 34.

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Segment information on revenue, profit and loss for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of
Korean won)

	2025					
	Petro-chemicals	LG Energy solution	Advanced materials	Life sciences	Common and others ³	Total
Total segment revenue	₩ 13,938,573	₩ 17,530,276	₩ 3,338,647	₩ 997,283	₩ 596,241	₩ 36,401,020
Inter-segment revenue	257,377	7,742	1,347,173	5,180	48,515	1,665,987
Revenue from external customers ¹	13,681,196	17,522,534	1,991,474	992,103	547,726	34,735,033
Operating profit (loss) ²	(117,769)	1,468,141	195,946	111,790	(63,944)	1,594,164
Depreciation and amortization	689,328	2,656,455	185,105	100,721	182,999	3,814,608

(in millions of
Korean won)

	2024					
	Petro-chemicals	LG Energy solution	Advanced materials	Life sciences	Common and others ³	Total
Total segment revenue	₩ 14,234,197	₩ 19,168,423	₩ 4,862,645	₩ 996,450	₩ 604,444	₩ 39,866,159
Inter-segment revenue	384,615	8,341	3,006,701	39,751	8,386	3,447,794
Revenue from external customers ¹	13,849,582	19,160,082	1,855,944	956,699	596,058	36,418,365
Operating profit (loss) ²	(37,075)	800,915	429,318	111,379	(168,612)	1,135,925
Depreciation and amortization	713,459	2,176,087	172,790	105,018	192,192	3,359,546

¹ Revenue from external customers consists of sales of goods. Interest income and dividend income are included in finance income.

² Management assesses the performance of the operating segments based on a measurement of operating profit of segment.

³ Common and other segments include operating segments not qualifying as a reportable segment, supporting divisions as well as R&D divisions.

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Segment information on assets and liabilities as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of
Korean won)

	September 30, 2025					
	Petro-chemicals	LG Energy solution	Advanced materials	Life sciences	Common and others	Total
Reportable segment asset ¹	₩ 15,827,822	₩ 67,010,378	₩ 7,275,142	₩ 2,336,507	₩ 6,025,267	₩ 98,475,116
Investments in associates and joint ventures	51,703	86,472	531,648	17	153,520	823,360
Reportable segment liability ¹	5,622,677	37,273,153	2,643,252	507,939	6,199,607	52,246,628

(in millions of
Korean won)

	December 31, 2024					
	Petro-chemicals	LG Energy solution	Advanced materials	Life sciences	Common and others	Total
Reportable segment asset ¹	₩ 16,524,141	₩ 60,306,791	₩ 7,652,487	₩ 2,455,872	₩ 6,918,471	₩ 93,857,762
Investments in associates and joint ventures	50,934	62,389	627,283	17	157,770	898,393
Reportable segment liability ¹	5,348,546	29,340,248	2,643,680	473,121	8,056,704	45,862,299

¹ Assets and liabilities are measured in a manner consistent with those in the consolidated financial statements, and allocated on the basis of segment operation.

The external sales and non-current assets by geographical segments from continuing operations for the nine-month periods ended September 30, 2025 and 2024, and as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	Sales		Non-current assets ¹	
	2025	2024	September 30, 2025	December 31, 2024
Korea ²	₩ 8,604,763	₩ 7,511,035	₩ 20,264,665	₩ 20,165,226
China	7,938,408	7,691,207	4,309,253	4,989,625
Asia/Oceania	4,043,054	3,994,354	1,648,216	1,818,245
America	8,571,703	9,492,613	31,752,208	26,294,589
Europe	5,517,789	7,671,255	4,929,621	5,020,309
Others	59,316	57,901	-	-
Total	₩ 34,735,033	₩ 36,418,365	₩ 62,903,963	₩ 58,287,994

¹ Represents aggregate amount of property, plant and equipment, intangible assets and investment properties.

² Domestic sales include the exports made through local letters of credit.

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During the nine-month period ended September 30, 2025, revenue to single external customers accounting for more than 10% of the Group's revenue was ₩ 3,884,313 million (2024: ₩ 4,969,601 million).

34. Assets and Liabilities Held for Sale and Discontinued Operations

34.1 Assets and Liabilities Held for Sale

In accordance with the final approval of management, the Group decided to dispose of polarizer and related material business (September 2023), Water Solutions business including its entire shares of LG NanoH2O, LLC (June 2025) and aesthetic business and LG Jiansheng Life Sciences (Beijing) Co., Ltd. (August 2025), and reclassified the related assets as assets held for sale.

Meanwhile, sale of the sulfuric acid and steam manufacturing business of FarmHannong Co., Ltd. was finalized in July 2024, and polarizer and related material business was sold in December 2024.

Details of assets and liabilities of disposal group classified as held for sale as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025			
Assets of disposal group				
Property, plant and equipment	₩	199,107	₩	74
Intangible assets		108,740		-
Inventories		40,182		-
Trade and other receivables		46,152		-
Other current assets and others		1,850		-
Other non-current assets and others		3,093		-
Total	₩	399,124	₩	74
Liabilities of disposal group				
Trade and other payables	₩	2,690	₩	-
Other current liabilities and others		14,469		-
Other non-current liabilities and others		61		-
Total	₩	17,220	₩	-

As the net fair value of the assets of the disposal group is expected to exceed the carrying amount, there is no impairment loss recognized for the disposal group classified as assets held for sale as at September 30, 2025.

34.2 Discontinued Operations

The Group decided to sell polarizer and related material business with the resolution of the board of directors in September 2023 and then classified the related business as discontinued operations as at September 2023. The sale of the polarizer and related material business was finalized in December 2024. Also, the Group decided to discontinue glass substrate business with the resolution of the board of directors in January 2020 and, substantially, discontinued the related business as at March 2020. In addition, following final management approval, the Group decided to dispose Water Solutions business, and classified it as a discontinued operation as at June 30, 2025. Accordingly, the profit and loss from the related operations are presented as discontinued

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operations.

Comprehensive income information from discontinued operation for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Glass substrate	Polarizer and related material	Water Solutions	Total
Revenue	₩ -	₩ 1,955	₩ 192,800	₩ 194,755
Expense	(5,671)	(50,050)	(166,450)	(222,171)
Profit (loss) before income tax of discontinued operation	(5,671)	(48,095)	26,350	(27,416)
Income tax benefit (expense)	-	162	(463)	(301)
Profit (loss) after income tax of discontinued operations	₩ (5,671)	₩ (47,933)	₩ 25,887	₩ (27,717)

(in millions of Korean won)

	2024			
	Glass substrate	Polarizer and related material	Water Solutions	Total
Revenue	₩ 7	₩ 1,195,901	₩ 169,376	₩ 1,365,284
Expense	(5,607)	(572,492)	(136,614)	(714,713)
Profit (loss) before income tax of discontinued operation	(5,600)	623,409	32,762	650,571
Income tax benefit (expense)	780	(97,034)	(7,754)	(104,008)
Profit (loss) after income tax of discontinued operations	₩ (4,820)	₩ 526,375	₩ 25,008	₩ 546,563

Net cash flows from discontinued operations for the nine-month periods ended September 30, 2025 and 2024, are as follows:

(in millions of Korean won)

	2025			
	Glass substrate	Polarizer and related material	Water Solutions	Total
Net cash inflow (outflow) from operating activities	₩ (5,126)	₩ 41,755	₩ 155,989	₩ 192,618
Net cash inflow (outflow) from investing activities	70	135,911	(81,048)	54,933
Net cash outflow from financing activities	-	(200,474)	-	(200,474)

(in millions of Korean won)

	2024			
	Glass substrate	Polarizer and related material	Water Solutions	Total
Net cash inflow (outflow) from operating activities	₩ (6,823)	₩ (276,287)	₩ 40,230	₩ (242,880)
Net cash inflow (outflow) from investing activities	662	600,221	(11,066)	589,817
Net cash inflow (outflow) from financing activities	-	-	-	-

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35. Assets and Liabilities related to Contracts with Customers

Assets and liabilities related to contracts with customers as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30, 2025	December 31, 2024
Contract assets		
Due from customers for contract work	₩ 85,380	₩ 77,237
Total contract assets	₩ 85,380	₩ 77,237
Contract liabilities		
Advances in relation to revenue from the Group's main business activities	₩ 2,093,720	₩ 2,287,911
Expected customer incentives	124,983	5,438
Unearned revenue	49,265	62,879
Due to customers for contract work	34,720	7,377
Total contract liabilities	₩ 2,302,688	₩ 2,363,605

Revenue recognized in relation to contract liabilities.

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in the prior periods.

<i>(in millions of Korean won)</i>	September 30, 2025	September 30, 2024
Revenue recognized in the current period from the contract liabilities balance at the beginning of the period	₩ 234,479	₩ 157,896
Advances received in relation to revenue from the Group's main business activities	216,618	113,473
Unearned revenue	17,351	43,798
Due to customers for contract work	510	625
Revenue recognized from performance obligations satisfied in previous periods	-	-

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Changes in estimates during the current period for the total contract amount and total contract costs related to contracts in which revenue is recognized over the period by applying the cost-based input method at the end of the prior year, and the impact of such changes in estimates on profits and losses and contract assets(liabilities) for the current and future periods are as follows.

(in millions of Korean won)

	Change in estimate of total contract amount	Changes in total contract cost estimates	Effect on Profit or Loss	Effect on future profit or loss	Changes in contract assets (liabilities)
₩	7,551	₩ 3,149	₩ 6,364	₩ (1,962)	₩ 6,364

Costs to fulfil a contract as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025	December 31, 2024
Costs to fulfil a contract	₩ 698,500	₩ 328,943

Costs to fulfil a contract are setup cost related to contracts with customers and are recognized as cost of sales when the Group fulfils its performance obligations. Costs to fulfil a contract recognized as cost of sales during the current period were ₩ 48,841 million (2024: ₩ 39,995 million).

36. Investment Properties

Details of investment properties as at September 30, 2025 and December 31, 2024, are as follows:

(in millions of Korean won)	September 30, 2025				December 31, 2024			
	Cost	Accumulated depreciation	Accumulated impairment	Book amount	Cost	Accumulated depreciation	Accumulated impairment	Book amount
Land	₩ 6,696	₩ (97)	₩ (497)	₩ 6,102	₩ 6,696	₩ (88)	₩ (497)	₩ 6,111
Buildings	133,727	(26,269)	(18,240)	89,218	133,989	(23,673)	(18,240)	92,076
Total	₩ 140,423	₩ (26,366)	₩ (18,737)	₩ 95,320	₩ 140,685	₩ (23,761)	₩ (18,737)	₩ 98,187

Changes in investment properties for the nine-month period ended September 30, 2025 and for the year ended December 31, 2024, are as follows:

(in millions of Korean won)

	September 30, 2025			December 31, 2024		
	Land	Building	Total	Land	Building	Total
Beginning balance	₩ 6,111	₩ 92,076	₩ 98,187	₩ 3,903	₩ 85,047	₩ 88,950
Acquisitions/transfers	-	1	1	2,222	10,985	13,207
Disposals/transfers	-	(174)	(174)	(1)	(216)	(217)
Depreciation	(9)	(2,685)	(2,694)	(13)	(3,740)	(3,753)
Ending balance	₩ 6,102	₩ 89,218	₩ 95,320	₩ 6,111	₩ 92,076	₩ 98,187

The fair value of investment properties is measured either by independent professional appraisers with certified qualification or measured based on official appraised value of land and available information from recent transactions of similar properties, and it is classified as 'Level 3' of the fair

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value hierarchy. The fair value of investment properties as at September 30, 2025, is ₩ 111,181 million (December 31, 2024: ₩ 113,997 million).

During the nine-month period ended September 30, 2025, rental income from investment properties under operating lease is ₩ 3,762 million (2024: ₩ 3,667 million), and operating expenses incurred for investment properties that generated rental income (including maintenance and repair expenses) are ₩ 3,547 million (2024: ₩ 3,366 million). During the nine-month period ended September 30, 2025, there are no operating expenses incurred for investment properties that do not generate rental income (including maintenance and repair expenses).

Operating lease

Investment properties are leased to tenants under operating leases with monthly rent payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease.

Although the Group is exposed to changes in the residual value at the end of the current leases, the Group typically enters into new operating leases and therefore will not immediately realize any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of investment properties.

The future minimum lease payments expected to be received in relation to the above operating lease agreement for investment properties as at September 30, 2025 and December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	September 30,		December 31, 2024	
	2025		2024	
Within one year	₩	4,164	₩	3,952
Within two years		2,471		3,799
Within five years		580		2,145
Total	₩	<u>7,215</u>	₩	<u>9,896</u>

LG Chem, Ltd. and Subsidiaries
Notes to the Condensed Consolidated Interim Financial Statements
September 30, 2025 and 2024 (Unaudited), and December 31, 2024

37. Business Combination

For the year ended December 31, 2024, the Group included PT.HLI Green Power, which was previously a joint venture on August 1, 2024, in consolidation since it is considered to have control as the Group can exercise the majority voting rights in its decision-making process and has the ability to use power to affect the returns of the investee through its involvement in the production and cost management and other activities in accordance with the changes of shareholder's agreement.

Details of consideration transferred, the assets and liabilities recognized at the date of acquisition of PT. HLI Green Power and fair value of the non-controlling interest for the year ended December 31, 2024, are as follows:

<i>(in millions of Korean won)</i>	Amount	
Consideration transferred		
Fair value of the previously held interest before the business combination	₩	191,187
Identifiable assets acquired and liabilities assumed		
Cash and cash equivalents	₩	59,825
Trade and other receivables		118,338
Inventories		144,834
Property, plant and equipment		1,026,339
Intangible assets		149,067
Other assets		44,615
Trade and non-trade payables		(293,584)
Other payables		(846,472)
Net identifiable assets		402,962
Non-controlling interests		201,481
Goodwill (gain from a bargain purchase)		(10,294)

Had PT.HLI Green Power been consolidated from January 1, 2024, the consolidated statement of comprehensive income for the nine-month period ended September 30, 2024, would have shown a revenue of ₩ 36,568,750 million and net loss for the period of ₩ 1,321,498 million.

38. Events After the Reporting Period

The Group sold 5,750,000 shares of LG Energy Solution, a subsidiary, for ₩ 1,998,125 million and decided to enter into a price return swap contract with investors, using the relevant shares as the underlying asset.