LG ENERGY SOLUTION, LTD. AND ITS SUBSIDIARIES

Interim Condensed Consolidated Financial Statements
As of September 30, 2026, and December 31, 2025, and
For the Three-Month and Nine-Month Periods
Ended September 30, 2026 and 2025

(With the Independent Auditor's Review Report Thereon)

LG Energy Solution

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For the Three-Month and Nine-Month Periods Ended September 30, 2026 and 2025:

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Report on Review of Interim Condensed Consolidated Financial Statements

English Translation of Independent Auditor's Review Report Originally Issued in Korean on November 12, 2026

To the Shareholders and the Board of Directors of
LG Energy Solution, Ltd.:

Reviewed financial statements

We have reviewed the accompanying interim condensed consolidated financial statements of LG Energy Solution, Ltd. and its subsidiaries (the "Group"). These interim condensed consolidated financial statements consist of the interim condensed consolidated statement of financial position as of September 30, 2026, and the related interim condensed consolidated statements of profit or loss and interim condensed consolidated statements of comprehensive income(loss) for the three-month and nine-month periods ended September 30, 2026 and 2025, and the interim condensed consolidated statements of changes in equity and interim condensed consolidated statements of cash flows, all expressed in Korean won, for the nine-month periods ended September 30, 2026 and 2025, and a summary of material accounting policies and other explanatory information.

Management's responsibility for the interim condensed consolidated financial statements

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

Auditor's responsibility

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

We conducted our review in accordance with the review standards for interim financial statements in 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 ("KSAs") and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

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Other matters
We have audited the consolidated statement of financial position of the Group as of December 31, 2025, and the related consolidated statement of profit or loss, consolidated statement of comprehensive income(loss), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, in accordance with KSAs. We expressed an unqualified opinion on those consolidated financial statements, not presented herein, in our audit report dated March 5, 2026.

The accompanying consolidated statement of financial position as of December 31, 2025, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.

Deloitte Aojn LLC

November 12, 2026

This review report is effective as of November 12, 2026, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the independent auditor's review report date to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed consolidated financial statements and may result in modifications to this review report.

LG ENERGY SOLUTION, LTD.
AND ITS SUBSIDIARIES (the "Group")

Interim Condensed Consolidated Financial Statements
As of September 30, 2026, and December 31, 2025, and
For the Three-Month and Nine-Month Periods Ended September 30, 2026 and 2025

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

Dong-Myoung Kim
Chief Executive Officer
LG Energy Solution, Ltd.

LG Energy Solution, Ltd. and its subsidiaries
Interim condensed consolidated statements of financial position
As of September 30, 2026, and December 31, 2025

(Korean won in millions)

	Notes	September 30, 2026	December 31, 2025
Assets			
Current assets			
Cash and cash equivalents	3,5,6	₩ 4,262,381	₩ 3,779,307
Trade receivables	3,5,7,29	6,755,231	4,311,178
Other receivables	3,5,7,29	1,208,119	588,607
Other current financial assets	3,5,8	10,340	46,724
Prepaid income taxes		100,631	163,804
Other current assets	13	2,414,724	1,260,766
Inventories	9	6,851,024	4,350,407
Assets held for sale	34	-	3,911,334
		21,602,450	18,412,127
Non-current assets			
Trade receivables	3,5,7	948,409	383,553
Other receivables	3,5,7,29	672,690	160,904
Other non-current financial assets	3,5,8	457,748	1,320,891
Investments in associates	10,29	78,055	77,719
Deferred tax assets	26	3,073,166	2,985,763
Property, plant and equipment	11,18,31	40,796,518	40,794,759
Intangible assets	12,31	1,705,856	1,591,606
Investment properties	31,33	199,428	211,862
Other non-current assets	13,16	779,625	1,208,769
		48,711,495	48,735,826
Total assets		₩ 70,313,945	₩ 67,147,953
Liabilities			
Current liabilities			
Trade payables	3,5,29	₩ 3,846,189	₩ 2,152,800
Other payables	3,5,29	5,360,460	5,756,692
Borrowings	3,5,11,14,30	6,884,002	6,686,206
Provisions	15	1,285,509	1,081,216
Other current financial liabilities	3,5,8	54,854	2,641
Income tax payables		137,731	93,323
Other current liabilities	17,32	1,611,619	1,012,479
		19,180,364	16,785,357
Non-current liabilities			
Other payables	3,5,29	18,413	14,619
Borrowings	3,5,11,14,30	18,681,026	15,825,890
Other non-current financial liabilities	3,5,8	3,392,421	2,407,851
Provisions	15	1,254,043	953,780
Deferred tax liabilities	26	107,366	49,709
Other non-current liabilities	16,17,32	1,712,136	1,789,071
		25,165,405	21,040,920
Total liabilities		44,345,769	37,826,277
Equity attributable to owners of the Parent Company			
Share capital	19	117,000	117,000
Capital surplus	19	18,469,294	17,164,627
Accumulated other comprehensive income		1,470,241	2,601,713
Retained earnings (accumulated deficit)	20	(1,209,413)	332,209
		18,847,122	20,215,549
Non-controlling interest		7,121,054	9,106,127
Total equity		25,968,176	29,321,676
Total liabilities and equity		₩ 70,313,945	₩ 67,147,953

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

LG Energy Solution, Ltd. and its subsidiaries
Interim condensed consolidated statements of profit or loss
For the three-month and nine-month periods ended September 30, 2026 and 2025

(Korean won in millions)

		September 30, 2026		September 30, 2025	
	Notes	Three months	Nine months	Three months	Nine months
Revenue and other income	2,21,29,31,32	₩ 9,643,433	₩ 23,758,649	₩ 6,065,369	₩ 18,844,249
Cost of sales	21,22,29	7,380,314	18,708,885	4,252,880	14,069,070
Gross profit		2,263,119	5,049,764	1,812,489	4,775,179
Selling and administrative expenses	21,22,23,29	1,507,114	4,388,212	1,211,180	3,307,038
Operating profit	21	756,005	661,552	601,309	1,468,141
Finance income	5,24,29	26,900	1,191,256	(152,654)	746,729
Finance costs	5,24,29	777,787	2,354,244	(91,876)	1,156,747
Share of income (loss) of associates and joint ventures	10	1,318	1,884	(861)	(1,989)
Other non-operating income	25	353,456	945,631	25,320	398,344
Other non-operating expenses	25	591,047	1,663,684	12,235	564,243
Profit (loss) before income tax expense		(231,155)	(1,217,605)	552,755	890,235
Income tax expense	26	65,751	351,979	16,659	36,961
Profit (loss) for the period		₩ (296,906)	₩ (1,569,584)	₩ 536,096	₩ 853,274
Profit (loss) for the period attributable to:					
Owners of the Parent Company		₩ (481,531)	₩ (1,534,966)	₩ 247,180	₩ (196,006)
Non-controlling interests		184,625	(34,618)	288,916	1,049,280
Earnings (loss) per share attributable to the equity holders of the Parent Company (in Korean won)	27				
Basic or diluted earnings (loss) per share		(2,058)	(6,560)	1,056	(838)

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

LG Energy Solution, Ltd. and its subsidiaries
Interim condensed consolidated statements of comprehensive income (loss)
For the three-month and nine-month periods ended September 30, 2026 and 2025
(Korean won in millions)

	Notes	September 30, 2026		September 30, 2025	
		Three months	Nine months	Three months	Nine months
Profit (loss) for the period		₩ (296,906)	₩ (1,569,584)	₩ 536,096	₩ 853,274
Other comprehensive income (loss) :					
Items that will not be subsequently reclassified to profit or loss:					
Remeasurements of net defined benefit liabilities	16	(5,885)	(8,761)	(306)	724
Gain (loss) on valuation of financial assets measured at FVOCI	5,8	(10,651)	(6,490)	3,588	(4,994)
Income tax effect of other comprehensive income (loss)		3,954	3,647	(754)	387
		(12,582)	(11,604)	2,528	(3,883)
Items that may be subsequently reclassified to profit or loss:					
Exchange differences on translation of foreign operations		(3,919,529)	(1,631,630)	946,986	(857,616)
Gain (loss) on cash flow hedge	5,8	(7,527)	(2,313)	403	126
Share of other comprehensive income (loss) of associates	10	(4,134)	(2,017)	284	284
Income tax effect of other comprehensive income (loss)		(22,538)	(7,061)	5,402	16,448
		(3,953,728)	(1,643,021)	953,075	(840,758)
Other comprehensive income (loss) for the period, net of tax		(3,966,310)	(1,654,625)	955,603	(844,641)
Total comprehensive income (loss) for the period, net of tax		₩ (4,263,216)	₩ (3,224,209)	₩ 1,491,699	₩ 8,633
Total comprehensive income (loss) for the period attributable to:					
Owners of the Parent Company		₩ (3,495,026)	₩ (2,779,742)	₩ 913,540	₩ (594,975)
Non-controlling interest		(768,190)	(444,467)	578,159	603,608

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

LG Energy Solution, Ltd. and its subsidiaries

Interim condensed consolidated statements of changes in equity
For the nine-month periods ended September 30, 2026 and 2025

(Korean won in millions)

	Notes	Attributable to the equity holders of the Parent Company					Non-controlling interests	Total
		Share capital	Capital surplus	Accumulated other comprehensive income (loss)	Retained earnings (accumulated deficit)	Subtotal		
As of January 1, 2025		₩ 117,000	₩ 17,164,627	₩ 2,437,399	₩ 1,397,211	₩ 21,116,237	₩ 9,850,306	₩ 30,966,543
Comprehensive income (loss) for the period:								
Profit (loss) for the period		-	-	-	(196,006)	(196,006)	1,049,280	853,274
Remeasurements of net defined benefit liabilities	16	-	-	-	562	562	-	562
Exchange differences on translation of foreign operations		-	-	(395,311)	-	(395,311)	(445,672)	(840,983)
Loss on valuation of financial assets at FVOCI	5,8	-	-	(4,445)	-	(4,445)	-	(4,445)
Loss on cash flow hedge	5,8	-	-	(59)	-	(59)	-	(59)
Equity adjustments in equity method	10	-	-	284	-	284	-	284
Total comprehensive income (loss) for the period		-	-	(399,531)	(195,444)	(594,975)	603,608	8,633
Transactions with owners of the Parent Company recognized directly in equity:								
Capital increase		-	-	-	-	-	1,621,513	1,621,513
Capital decrease		-	-	-	-	-	(1,470,416)	(1,470,416)
Disposal of financial assets at FVOCI		-	-	18,309	(18,309)	-	-	-
Others		-	-	-	232	232	(1,389,281)	(1,389,049)
Total transactions with owners of the Parent Company recognized directly in equity		-	-	18,309	(18,077)	232	(1,238,184)	(1,237,952)
As of September 30, 2025		₩ 117,000	₩ 17,164,627	₩ 2,056,177	₩ 1,183,690	₩ 20,521,494	₩ 9,215,730	₩ 29,737,224
As of January 1, 2026		₩ 117,000	₩ 17,164,627	₩ 2,601,713	₩ 332,209	₩ 20,215,549	₩ 9,106,127	₩ 29,321,676
Comprehensive income (loss) for the period:								
Loss for the period		-	-	-	(1,534,966)	(1,534,966)	(34,618)	(1,569,584)
Remeasurements of net defined benefit liabilities	16	-	-	-	(6,666)	(6,666)	-	(6,666)
Exchange differences on translation of foreign operations		-	-	(1,229,414)	-	(1,229,414)	(409,849)	(1,639,263)
Loss on valuation of financial assets at FVOCI	5,8	-	-	(4,938)	-	(4,938)	-	(4,938)
Loss on cash flow hedge	5,8	-	-	(1,741)	-	(1,741)	-	(1,741)
Equity adjustments in equity method	10	-	-	(2,017)	-	(2,017)	-	(2,017)
Total comprehensive loss for the period		-	-	(1,238,110)	(1,541,632)	(2,779,742)	(444,467)	(3,224,209)
Transactions with owners of the Parent Company recognized directly in equity:								
Capital increase		-	-	-	-	-	63,869	63,869
Changes in ownership interests in subsidiaries		-	1,304,667	106,638	-	1,411,305	(1,411,305)	-
Others		-	-	-	10	10	(193,170)	(193,160)
Total transactions with owners of the Parent Company recognized directly in equity		-	1,304,667	106,638	10	1,411,315	(1,540,606)	(129,291)
As of September 30, 2026		₩ 117,000	₩ 18,469,294	₩ 1,470,241	₩ (1,209,413)	₩ 18,847,122	₩ 7,121,054	₩ 25,968,176

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

LG Energy Solution, Ltd. and its subsidiaries
Interim condensed consolidated statements of cash flows
For the nine-month periods ended September 30, 2026 and 2025

(Korean won in millions)

	Notes	September 30, 2026	September 30, 2025
Cash flows from operating activities:			
Cash generated from operations	30	₩ 389,780	₩ 3,499,648
Interest received		168,097	141,420
Interest paid		(870,526)	(594,054)
Dividends received		18	138
Income tax paid		(316,344)	(367,846)
Net cash provided by (used in) operating activities		(628,975)	2,679,306
Cash flows from investing activities:			
Cash inflow from investing activities:			
Decrease in other receivables		1,345	143,497
Decrease in other non-current receivables		55,476	15,341
Proceeds from disposal of financial assets		444,794	40,430
Proceeds from disposal of property, plant and equipment		27,938	30,816
Proceeds from disposal of intangible assets		1,562	780
Proceeds from disposal of assets held for sale		3,769,978	-
Government grants received		383,606	61,952
		4,684,699	292,816
Cash outflow for investing activities:			
Increase in other receivables		(1,287)	(140,609)
Increase in other non-current receivables		(409,515)	(79,756)
Acquisition of investments in associates		(507)	(25,826)
Acquisition of financial instruments		(31,780)	(39,665)
Acquisition of property, plant and equipment		(4,612,235)	(8,514,763)
Acquisition of intangible assets		(160,503)	(111,827)
Other cash outflow for investing activities		-	(846)
		(5,215,827)	(8,913,292)
Net cash used in investing activities		(531,128)	(8,620,476)
Cash flows from financing activities:			
Cash inflow from financing activities:	30		
Proceeds from borrowings and others		15,960,305	10,805,536
Paid-in capital by non-controlling interests		63,869	1,621,513
Settlement of derivative transactions		8,960	-
		16,033,134	12,427,049
Cash outflow for financing activities:	30		
Repayments of borrowings and others		(13,883,527)	(3,494,451)
Payment for capital reduction to non-controlling interests		-	(146,639)
Others		(193,170)	(1,389,281)
		(14,076,697)	(5,030,371)
Net cash provided by financing activities		1,956,437	7,396,678
Net increase in cash and cash equivalents		796,334	1,455,508
Cash and cash equivalents at the beginning of period		3,779,307	3,898,711
Effects of exchange rate changes on cash and cash equivalents		(313,260)	(30,427)
Cash and cash equivalents at the end of period		₩ 4,262,381	₩ 5,323,792

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

1. GENERAL:

General information about LG Energy Solution, Ltd. (the "Company" or the "Parent Company") and its 25 subsidiaries (collectively, the "Group") is as follows:

1.1 Company Information

The Parent Company, a split-off of LG Chem Ltd.'s battery division, was incorporated on December 1, 2020.

As of September 30, 2026, the Company is engaged in the battery industry, with its manufacturing facilities located in Ochang.

The Company's shares have been listed on the Korea Exchange since January 27, 2022, and the share capital is KRW 117,000 million as of September 30, 2026. The largest shareholder of the Company is LG Chem Ltd., which holds 79.38% of the Company's ordinary shares.

The Company is authorized to issue 800 million shares (KRW 500 per share) and has issued 234 million of ordinary shares as of September 30, 2026.

1.2 Business Overview

The Group is engaged in the battery business.

The Group manufactures and supplies batteries ranging from information technology ("IT") and new application batteries for mobile phones and laptops to automotive batteries for electric vehicles and energy storage system ("ESS") batteries. Demand for mobile batteries for new applications, such as electric tools and other electrical devices, as well as traditional IT devices is increasing recently, and the automotive battery business is also expected to expand rapidly due to increasing demand for batteries associated with enhanced environment regulations in developed countries. Demand for ESS is expanding with an increasing importance of efficient usage of electricity and generation of renewable energy.

1.3 Consolidated Subsidiaries and Investments in Associates and Joint Ventures

	Ownership (%)				
	September 30, 2026	December 31, 2025	Location	Closing month	Business
Subsidiaries:					
LG Energy Solution (Nanjing) Co., Ltd.	100	100	China	December	Mobile battery manufacturing and sales
LG Energy Solution Michigan Inc. (*1)	100	100	USA	December	Secondary battery manufacturing and sales
LG Energy Solution Battery (Nanjing) Co., Ltd.	100	100	China	December	Secondary battery manufacturing and sales
LG Energy Solution Wroclaw sp. z o.o.	100	100	Poland	December	Secondary battery manufacturing and sales
LG Energy Solution Australia Pty Ltd.	100	100	Australia	December	ESS battery sales
LG Energy Solution Technology (Nanjing) Co., Ltd.	100	100	China	December	Secondary battery manufacturing and sales
Ultium Cells Holdings LLC (*2)	50	50	USA	December	Automotive battery manufacturing and sales
Ultium Cells LLC (*2)	50	50	USA	December	Automotive battery manufacturing and sales
LG Energy Solution Europe GmbH	100	100	Germany	December	ESS battery sales and others
LG Energy Solution (Taiwan) Ltd.	100	100	Taiwan	December	Mobile battery sales and others
Areumnoori Co., Ltd.	100	100	Korea	December	Facility management and cleaning
LG Energy Solution Fund I LLC	100	100	USA	December	Investment in ventures
LG Energy Solution Vertech Inc.	100	100	USA	December	ESS battery installation service
LG Energy Solution Arizona, Inc.	100	100	USA	December	Mobile battery manufacturing and sales
Baterias De Castilla, S.L.	100	100	Spain	December	Others
L-H Battery Company, Inc.	51	51	USA	December	Automotive battery manufacturing and sales
LG Energy Solution India Private Limited	100	100	India	December	Mobile battery sales and others
LG Energy Solution Arizona ESS, Inc.	100	100	USA	December	ESS battery manufacturing and sales
NextStar Energy Inc. (*3)	100	51	Canada	December	Secondary battery manufacturing and sales
LG Energy Solution Fund II LLC	100	100	USA	December	Investment in ventures
HLBMA LLC (*4)	50	50	USA	December	Automotive battery manufacturing and sales
LG Energy Solution Japan Co., Ltd.	100	100	Japan	December	ESS battery sales
PT. HLI Green Power (*5)	50	50	Indonesia	December	Automotive battery manufacturing and sales
LG Energy Solution China Co., Ltd.	100	100	China	December	Business support services and others
Xensol Energy(Nanjing) Co., Ltd. (*6)	100	-	China	December	Secondary battery manufacturing and sales
Associates and joint ventures:					
Sama Aluminium Co., Ltd. (*7)	9.9	10.2	Korea	December	Aluminum manufacturing, sales and others
Nexpo Co., Ltd. (*8)	19	19	Korea	December	Battery product manufacturing, sales and others
Bricks Capital Management Global Battery Private Equity Fund I (*9)	59.9	59.9	Korea	December	Collective investment institution
Jeju Bukchon BESS Power Plant Co., Ltd. (*10)	10	10	Korea	December	Renewable energy services
PT LBM Energi Baru Indonesia	20	20	Indonesia	December	Secondary battery materials manufacturing and sales
EV-LOOP	50	50	France	December	Secondary battery materials manufacturing and sales

(*1) LG Energy Solution Michigan Inc. owns 50% of Ultium Cells Holdings LLC and HLBMA LLC's shares.
(*2) The Group does not hold a majority ownership interest in Ultium Cells LLC or Ultium Cells Holdings LLC. According to the arrangement between shareholders, the Group holds the majority of voting rights in the decision-making process of the entity and has the ability to affect the variable returns by engaging in the entity's production and cost management. This implies that the Group exercises control over the entity.
(*3) During the current period, the Group acquired, for consideration of USD 100, the entire equity interest of Stellantis N.V. (USD 980 million, ownership interest of 49%) in NextStar Energy Inc., a joint venture with Stellantis N.V.
(*4) Although the Group does not hold a majority ownership interest in HLBMA LLC, the shareholders' agreement grants the Group the majority of voting rights in the decision-making process of the entity, and the Group has the ability to affect variable returns by engaging in the entity's production and cost management. Accordingly, the Group has determined that it has control over the entity. During the current period, HL-GA Battery Company LLC changed its legal name to HLBMA LLC.
(*5) Although the Group holds less than a majority of the ownership interest in PT. HLI Green Power, the Group determined that it has control over PT. HLI Green Power as it has the ability to exercise a majority of the voting rights in the relevant decision-making processes under the shareholders' agreement and the ability to affect its variable returns through the management of production and costs.
(*6) Xensol Energy(Nanjing) Co., Ltd. was established in the prior year, and the investment in kind was completed during the current period.
(*7) Although the ownership in Sama Aluminium Co., Ltd. is less than 20%, the arrangement between shareholders ensures that the Group has the ability to participate in the decision-making process, thus exerting significant influence over the entity. As a result, the entity is classified as an associate.
(*8) Although the ownership in Nexpo Co., Ltd. is less than 20%, the arrangement between shareholders ensures that the Group has the ability to participate in the decision-making process, thus exerting significant influence over the entity. As a result, the entity is classified as an associate.
(*9) Although the subsidiary's equity stake in the joint venture exceeds 50%, since unanimous consent from all equity participants is required for major decisions, the Group has concluded that it does not control the joint venture. As a result, it has been classified as an investment in an associate.
(*10) Although the ownership in Jeju Bukchon BESS Power Plant Co., Ltd. is less than 20%, the arrangement between shareholders ensures that the Group has the ability to participate in the decision-making process, thus exerting significant influence over the entity. As a result, the entity is classified as an associate.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES:

2.1 Basis of Preparation

The Group's interim condensed consolidated financial statements were prepared in accordance with Korean International Financial Reporting Standard ("K-IFRS") 1034 *Interim Financial Reporting* as part of the period covered by the Group's K-IFRSs annual consolidated financial statements. In order to be understood, these interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements as of and for the fiscal year ended December 31, 2025, prepared in accordance with the K-IFRSs.

2.2 Application of the Amended and Enacted Standards

The material accounting policies applied in the preparation of the interim condensed consolidated financial statements are consistent with the accounting policies adopted in the preparation of the annual consolidated financial statements as of and for the fiscal year ended December 31, 2025, except for the impacts related to the adoption of the standards or interpretations described below.

1) New and amended K-IFRSs and new interpretations that are effective for the current period

- K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 *Financial Instruments: Disclosures – Amendments to Classification and Measurement Requirements of Financial Instruments*

The amendments in *Amendments to the Classification and Measurement of Financial Instruments (Amendments to K-IFRS 1109 and K-IFRS 1107)* are:

Derecognition of a financial liability settled through electronic transfer
The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognized) before the settlement date if specified criteria are met. The Group does not use electronic payment systems that are subject to the amendments and, therefore, the amendments do not have an impact on the interim consolidated financial statements.

Classification of financial assets

- *Contractual terms that are consistent with a basic lending arrangement*
  The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance ("ESG") concerns.
- *Assets with non-recourse features*
  The amendments enhance the description of the term 'non-recourse,' in particular to specify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- *Contractually linked instruments*
  The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

Disclosures

- *Investments in equity instruments designated at fair value through other comprehensive income ("FVOCI")*
  The requirements in K-IFRS 1107 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period.
- *Contractual terms that could change the timing or amount of contractual cash flows*
  The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs. The requirements apply to each class of financial asset measured at amortized cost or FVOCI and each class of financial liability measured at amortized cost.

- K-IFRS 1109 *Financial Instruments – Derecognition of Lease Liabilities and Transaction Price*

The amendments clarify that any gain or loss arising from the derecognition of lease liabilities should be recognized in profit or loss. The amendments also align the definition of transaction price with K-IFRS 1115.

- K-IFRS 1110 *Consolidated Financial Statements – Determination of 'De Facto Agent'*

The amendments revise the wording in K-IFRS 1110:B73-B74 regarding the determination of a de facto agent to address inconsistencies between the paragraphs and clarify that the de facto agent relationship described in B74 is one example of circumstances in which judgment is required.

- Amendments to K-IFRS 1109 and K-IFRS 1107 – *Contracts Referencing Nature-Dependent Electricity*

Amendments to K-IFRS 1109 *Financial Instruments*
The following requirements of K-IFRS 1109 are affected by the amendments:

- The own-use requirements in K-IFRS 1109 are amended to include the factors an entity is required to consider when applying K-IFRS 1109:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature dependent.
- The hedge accounting requirements in K-IFRS 1109 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:
  - to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met and
  - to measure the hedged item using the same volume assumptions as those used for the hedging instrument.

Amendments to K-IFRS 1107 *Financial Instruments: Disclosures*
K-IFRS 1107 was amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

2) New and revised K-IFRSs in issue, but not yet effective

- K-IFRS 1118 *Presentation and Disclosures in Financial Statements*

K-IFRS 1118 replaces K-IFRS 1001, carrying forward many of the requirements in K-IFRS 1001 unchanged and complementing them with new requirements. K-IFRS 1118 is expected to enhance the comparability of financial performance among similar entities by providing users of financial statements with information that is useful in analyzing and comparing an entity's performance, with a particular focus on the statement of profit or loss.

When the Group prepares its financial statements by applying K-IFRS 1118, the principal accounting policy changes that may result in significant differences from the current financial statements are as follows. These matters do not include all differences that may arise in the future and may be subject to change based on the results of additional analysis:

- *Changes in the presentation of the statement of profit or loss*.
  K-IFRS 1118 requires all income and expenses included in the statement of profit or loss to be classified into one of five categories: operating, investing, financing, income taxes and discontinued operations. Under K-IFRS 1118, all income and expenses that are not classified in the investing, financing, income taxes or discontinued operations categories are classified in the operating category, and operating profit is defined as a residual category.
  The Group is required to assess its main business activities in order to classify income and expenses into the appropriate categories. If the Group determines that investing in particular types of assets or providing financing to customers is a main business activity, income and expenses that would otherwise be classified in the investing or financing categories are classified instead in the operating category.

  Accordingly, operating profit or loss under K-IFRS 1118 may differ significantly from operating profit or loss under the current K-IFRS 1001, which is defined as revenue less cost of sales and selling and administrative expenses. K-IFRS 1118 requires an entity to disclose operating profit or loss determined in accordance with the current K-IFRS 1001 in the notes, together with a reconciliation between operating profit or loss under K-IFRS 1118 and that under the current K-IFRS 1001.

  In addition, K-IFRS 1118 requires an entity to present in the statement of profit or loss: 'operating profit or loss,' comprising all income and expenses classified in the operating category; 'profit or loss before financing and income taxes,' comprising operating profit or loss and all income and expenses classified in the investing category; and 'profit or loss' for the period. However, if the Group provides financing to customers as a main business activity, presentation of profit or loss before financing and income taxes may not be required depending on the accounting policy choice.

- *Introduction of disclosures for management-defined performance measures ("MPMs")*
  K-IFRS 1118 introduces new disclosure requirements for MPMs. MPMs are defined as subtotals of income and expenses that an entity uses in public communications, outside financial statements, to communicate to users of financial statements management's view of an aspect of the financial performance of the entity as a whole, and that are not listed in paragraph 118 of K-IFRS 1118 or specifically required to be presented or disclosed by K-IFRS.

  If the Group has MPMs, it is required to disclose why such measures provide useful information, how those measures are calculated, a reconciliation between those measures and the most directly comparable subtotal specified in K-IFRS 1118, the income tax effect of each reconciling item and the effect on non-controlling interests.

- *Changes in the classification of cash flows*
  In accordance with the issuance of K-IFRS 1118, certain amendments have been made to K-IFRS 1007 *Statement of Cash Flows.* Under these amendments, the starting point for determining net cash flows from operating activities under the indirect method has changed from profit or loss for the period to operating profit or loss, and the accounting policy choice regarding the classification of cash flows from interest and dividends has been eliminated.

K-IFRS 1118 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. An entity is required to apply K-IFRS 1118 retrospectively in accordance with K-IFRS 1008 *Accounting Policies, Changes in Accounting Estimates and Errors*. Accordingly, comparative information for the year ending December 31, 2027, will be restated in accordance with K-IFRS 1118. The amendments to K-IFRS 1007 and K-IFRS 1033, and the revised K-IFRS 1008 and K-IFRS 1107, resulting from the issuance of K-IFRS 1118, will become effective when K-IFRS 1118 is applied.

The Group has not applied K-IFRS 1118 because its mandatory effective date has not yet arrived, and expects to report its first interim financial statements for the annual reporting period ending December 31, 2027, in accordance with K-IFRS 1118.

Based on information available as of November 12, 2026, the Group has performed an overall preliminary assessment of the expected impact of applying K-IFRS 1118 and has identified the following potential impacts:

- *Changes in the statements of financial position, statements of profit or loss, and other financial statements*
  Based on the classification of income and expenses under K-IFRS 1118, gains or losses on disposal of property, plant and equipment and impairment losses or reversals of impairment losses on property, plant and equipment and intangible assets, which are currently classified as non-operating income or expenses, will be classified in the operating category. Interest income, dividend income and the Group's share of profit or loss of associates and joint ventures are expected to be classified in the investing category, while interest expense and gains or losses on redemption of debentures are expected to be classified in the financing category. Foreign exchange differences are expected to be classified in the same category as the income and expenses arising from the items that gave rise to those foreign exchange differences.

- *Assessment of MPMs*
  The Group is assessing whether any of the measures reported externally, including those included in IR materials, meet the definition of MPMs.

The Group is currently reviewing the potential impact of the enactments and amendments described above on its consolidated financial statements.

2.3 Changes in Presentation of the Interim Condensed Consolidated Financial Statements

The following changes were made in the presentation and classification of certain line items in the interim condensed consolidated financial statements during the current period:

- Other operating income has been presented as part of revenue

The Group receives tax credits for battery cells/modules manufactured and sold in the United States in accordance with the Advanced Manufacturing Production Tax Credit provisions of the U.S. Inflation Reduction Act, effective from January 1, 2023, and changed the related accounting presentation from the current period.

As the Group's expansion into the U.S. energy storage system market has accelerated during the current interim period, the business environment has evolved. In addition, major customers have become aware of the Group's receipt of such tax credits and have reflected this fact in sales price negotiations. Accordingly, the tax credits have, in substance, become a component of the selling price of products. Therefore, the Group concluded that presenting such tax credits as part of revenue, which is the primary performance measure of operating activities, provides more relevant information about the Group's revenue-generating ability and the economic substance of the transactions. As a result, beginning in the current interim period, such amounts are presented within the “Revenue and other income” category (see Notes 21.(1) and 31.(2)). This change in presentation and classification represents only a reclassification between line items and has no impact on operating profit, profit for the period or total equity, and constitutes a change in presentation in accordance with K-IFRS 1001 “Presentation of Financial Statements” (IAS 1).

3. FINANCIAL RISK MANAGEMENT:

3.1 Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market, credit and liquidity. 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 board of directors. The finance team identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units. The board of directors 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; and investment of excess liquidity.

(1) Market risk

1) 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 forecast transactions and recognized assets and liabilities.

Management has set up a policy to require each Company in the Group to manage its foreign exchange risk against its functional currency. The Group employs personnel exclusively responsible for currency risk management and uses foreign exchange derivatives, such as currency forwards and currency swaps, as hedging instruments, excluding those held for trading purposes in principle.

The Group has certain investments in foreign operations whose net assets are exposed to foreign exchange risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

Monetary assets and liabilities denominated in foreign currencies as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	Assets	Liabilities	Assets	Liabilities
USD	₩ 3,364,720	₩ 11,013,641	₩ 2,398,017	₩ 9,284,797
EUR	217,700	2,683,086	264,366	3,616,837
JPY	37,400	87,705	20,035	87,327
CNY and others	223,813	117,166	203,801	151,783

With all other variables held constant as of September 30, 2026, and December 31, 2025, a hypothetical change in exchange rates by 10% would have increased (decreased) the Group's profit (loss) before income tax and equity as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	10% Increase	10% Decrease	10% Increase	10% Decrease
USD	₩ (764,892)	₩ 764,892	₩ (688,678)	₩ 688,678
EUR	(246,539)	246,539	(335,247)	335,247
JPY	(5,030)	5,030	(6,729)	6,729
CNY and others	10,665	(10,665)	5,202	(5,202)

The above sensitivity analysis has been performed for monetary assets and liabilities denominated in foreign currencies other than the functional currency as of September 30, 2026, and December 31, 2025.

As of September 30, 2026, the Group entered into foreign currency forward and foreign currency swaps to hedge change in exchange rates and the details are as follows (Korean won in millions):

	Contractor	Contract amount (in millions)	Contract exchange rate	Contract inception date	Contract maturity	Book amount	
						Assets	Liabilities
Currency forward (*)	KB Kookmin Bank	USD 500	1,102.83	11.24.2020	04.16.2029	₩ 100,514	₩ -
	KDB Bank	USD 400	1,337.60	09.25.2023	09.25.2028	6,811	-
	Woori Bank	USD 200	1,337.60	09.25.2023	09.25.2028	3,405	-
	DBS	USD 200	1,380.80	07.02.2024	07.02.2027	-	3,314
	JP Morgan	USD 200	1,380.80	07.02.2024	07.02.2027	-	3,353
	Shinhan Bank	USD 300	1,380.80	07.02.2024	07.02.2027	-	3,280
	KB Kookmin Bank	USD 200	1,380.80	07.02.2024	07.02.2029	-	1,531
	Woori Bank	USD 200	1,380.80	07.02.2024	07.02.2029	-	1,436
	Korea Exim Bank	USD 200	1,380.80	07.02.2024	07.02.2029	-	1,446
	IBK Securities	USD 100	1,380.80	07.02.2024	07.02.2029	-	771
	KDB Bank	USD 100	1,380.80	07.02.2024	07.02.2029	-	759
	KDB Bank	USD 400	1,380.80	07.02.2024	07.02.2034	447	-
	Woori Bank	USD 100	1,380.80	07.02.2024	07.02.2034	113	-
	Hana Bank	USD 200	1,471.70	04.02.2025	04.03.2028	-	18,480
	JP Morgan	USD 100	1,471.70	04.02.2025	04.02.2028	-	10,024
	SMBC	USD 100	1,471.70	04.02.2025	04.02.2028	-	9,454
	Shinhan Bank	USD 200	1,471.70	04.02.2025	04.02.2030	-	8,388
	Woori Bank	USD 100	1,471.70	04.02.2025	04.02.2030	-	4,139
	KDB Bank	USD 500	1,471.70	04.02.2025	04.02.2030	-	39,530
	Shinhan Bank	USD 100	1,471.70	04.02.2025	04.02.2030	-	7,961
Currency swap (*)	Woori Bank	USD 200	1,471.70	04.02.2025	04.02.2035	-	10,262
	Hanwha Securities	USD 200	1,471.70	04.02.2025	04.02.2035	-	10,152
	Hana Bank	USD 100	1,471.70	04.02.2025	04.02.2035	-	5,761
	KB Kookmin Bank	USD 100	1,471.70	04.02.2025	04.02.2035	-	5,503
	Credit Agricole	USD 50	1,471.70	04.02.2025	04.02.2035	-	3,106
	KDB Bank	USD 50	1,471.70	04.02.2025	04.02.2035	-	2,564
	Shinhan Bank	USD 100	1,507.80	04.02.2026	04.02.2029	-	16,515
	KB Kookmin Bank	USD 50	1,507.80	04.02.2026	04.02.2029	-	8,278
	Woori Bank	USD 100	1,507.80	04.02.2026	04.02.2029	-	16,606
	Hana Bank	USD 50	1,507.80	04.02.2026	04.02.2029	-	8,310
	Shinhan Bank	USD 200	1,507.80	04.02.2026	04.02.2031	-	26,078
	KB Kookmin Bank	USD 100	1,507.80	04.02.2026	04.02.2031	-	13,040
	Woori Bank	USD 200	1,507.80	04.02.2026	04.02.2031	-	37,934
	KB Kookmin Bank	USD 150	1,507.80	04.02.2026	04.02.2031	-	28,548
	Hana Bank	USD 150	1,507.80	04.02.2026	04.02.2031	-	28,513
	Korea Exim Bank	USD 200	1,507.80	04.02.2026	04.02.2036	-	43,767
	Woori Bank	USD 100	1,507.80	04.02.2026	04.02.2036	-	21,897
	Hana Bank	USD 100	1,507.80	04.02.2026	04.02.2036	-	22,325
	KDB Bank	USD 100	1,507.80	04.02.2026	04.02.2036	-	21,897

(*) A derivative where hedge accounting is not applied.

2) 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 rate 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 fluctuations in 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 profit (loss) before income tax and equity for the period. The analysis is based on the assumption that the interest rate has increased/decreased by 1% (100 bp) with all other variables held constant (Korean won in millions).

	September 30, 2026		December 31, 2025	
	1%p Increase	1%p Decrease	1%p Increase	1%p Decrease
Interest income	₩ -	₩ -	₩ 3,834	₩ (3,834)
Interest expense	(86,760)	86,760	(78,938)	78,938

3) Price risk

The Group is exposed to price risks from equity instruments. As of September 30, 2026, the fair value of equity instruments is KRW 117,208 million. With all other variables held constant, a price change in equity instruments by 10% would have changed the Group's equity by KRW 11,721 million before tax.

(2) Credit risk

Credit risk arises from trade receivables that the Group holds as well as financial assets at amortized cost or at FVOCI.

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 the 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 and 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 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 the financial institutions with high credit ratings, evaluated by independent credit rating agencies, and accordingly, credit risks associated with these financial institutions are limited.

1) Trade receivables

The Group applies the simplified approach in measuring expected credit losses, which uses lifetime expected provisions for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

For the nine-month period ended September 30, 2026, there were no changes in the provisions for trade receivables, and for the year ended December 31, 2025, the provisions for trade receivables decreased by KRW 1 million due to reversals.

As of September 30, 2026, the carrying amount of trade receivables representing the maximum exposure to credit risk amounts to KRW 7,703,640 million (as of December 31, 2025, was KRW 4,694,731 million).

2) Other financial assets at amortized cost

All of the financial assets at amortized cost are considered to have low credit risk, and the provisions recognized during the period were, therefore, limited to 12 months' expected losses. As of September 30, 2026, and December 31, 2025, the provisions for other financial assets at amortized cost do not exist.

3) Debt instruments measured at FVOCI

Debt instruments measured at FVOCI include trade receivables to be discounted. The provisions for these instruments are recognized in profit or loss for the current quarter and reduce the amount that would have been recognized in other comprehensive income as a loss on fair value change.

(3) Liquidity risk

The 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 the limit of unused borrowings at an appropriate level so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Group's liquidity management policy considers the Group's financing plans; covenants on the debt contracts; target financial ratios; and, if applicable, other external regulatory requirements on the currency and others.

1) The table below analyzes the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting period to the contractual maturity date. Cash flows presented below are gross cash flows before discount and include cash flows for interests (Korean won in millions):

	September 30, 2026			
	Less than 1 year	Between 1 year–2 years	Between 2–5 years	More than 5 years
Non-derivative instruments:				
Borrowings	₩ 7,671,372	₩ 4,665,316	₩ 10,196,531	₩ 4,300,956
Lease liabilities	376,267	358,763	1,022,044	1,889,569
Trade and other payables (*)	9,211,360	7,994	6,567	4
	17,258,999	5,032,073	11,225,142	6,190,529
Derivative instruments:				
Currency forwards and swaps settled in gross:				
Inflows	(950,880)	(1,358,400)	(4,482,720)	(2,309,280)
Outflows	966,560	1,391,240	4,639,165	2,474,490
	15,680	32,840	156,445	165,210
	₩ 17,274,679	₩ 5,064,913	₩ 11,381,587	₩ 6,355,739

	December 31, 2025			
	Less than 1 year	Between 1 year–2 years	Between 2–5 years	More than 5 years
Non-derivative instruments:				
Borrowings	₩ 6,677,900	₩ 4,348,750	₩ 11,216,427	₩ 3,383,491
Lease liabilities	90,563	71,000	177,844	120,418
Trade and other payables (*)	7,909,492	9,149	5,470	-
	14,677,955	4,428,899	11,399,741	3,503,909
Derivative instruments:				
Currency forwards and swaps settled in gross:				
Inflows	(573,960)	(1,004,430)	(4,591,680)	(1,721,880)
Outflows	535,040	966,560	4,371,825	1,720,590
	(38,920)	(37,870)	(219,855)	(1,290)
	₩ 14,639,035	₩ 4,391,029	₩ 11,179,886	₩ 3,502,619

(*) As of September 30, 2026, the carrying amount of liabilities classified as supplier financing arrangements was KRW 673,088 million (as of December 31, 2025, was KRW 1,041,733 million) (see Note 5.(3)).

The Group is not exposed to significant liquidity risk arising from supplier financing arrangements, as the amount of liabilities subject to these arrangements is limited, and the Company can obtain alternative financing under similar terms.

2) As of September 30, 2026, and December 31, 2025, the Group has entered into swap and futures contracts, to which cash flow hedge accounting is applied, to avoid fluctuations in the market price of raw materials as follows (Korean won in millions):

	Purpose of the contracts	Hedged items	Financial Institution	Maturity	September 30, 2026		December 31, 2025	
					Assets	Liabilities	Assets	Liabilities
Merchandise (raw materials) swap (*1)	Cash flow hedge	Non-ferrous metal	SC, etc.	2028.12	₩ 12,023	₩ 1,678	₩ 4,288	₩ 336
Merchandise (raw materials) futures (*2)	Cash flow hedge	Lithium	-	2027.04	-	13,162	-	-

(*1) Gain (loss) on the contracts that hedge the cash flow risk of forecast transactions is recognized in accumulated other comprehensive income and is fully effective portion for hedging.
(*2) Gain (loss) on the futures contracts that hedge the cash flow risk of forecast transactions incurred some hedge ineffectiveness arising from changes in value due to differences in price indices and term structures between the hedging instrument and the hedged item.

3.2 Capital Risk Management

The Group's objectives for managing capital are to safeguard its ability to continue providing profits to shareholders and other stakeholders as a going concern 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 interim condensed consolidated statements of financial position, plus net debt.

The gearing ratio and debt-to-equity ratio as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Total borrowings (Note 14) (A)	₩ 25,565,028	₩ 22,512,096
Less: Cash and cash equivalents (B)	(4,262,381)	(3,779,307)
Net debt (C=A+B)	21,302,647	18,732,789
Total liabilities (D)	44,345,769	37,826,277
Total equity (E)	25,968,176	29,321,676
Total capital (F=C+E)	₩ 47,270,823	₩ 48,054,465
Gearing ratio (C/F)	45.1%	39.0%
Debt-to-equity ratio (D/E)	170.8%	129.0%

3.3 Fair Value Estimation

(1) The carrying amounts and fair values of financial instruments by category as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets (current):				
Cash and cash equivalents	4,262,381	(*)	3,779,307	(*)
Trade receivables	6,755,231	(*)	4,311,178	(*)
Other receivables (excluding due from financial institutions)	1,207,744	(*)	588,243	(*)
Due from financial institutions	375	(*)	364	(*)
Current derivative financial assets	10,340	10,340	4,147	4,147
Current derivative financial assets (currency swap)	-	-	42,577	42,577
Financial assets (non-current):				
Trade receivables	948,409	(*)	383,553	(*)
Other receivables (excluding due from financial institutions)	586,520	(*)	45,771	(*)
Due from financial institutions	86,170	(*)	115,133	(*)
Other non-current financial assets (measured at fair value):				
Marketable financial assets	248	248	857	857
Non-marketable financial assets	342,885	342,885	844,735	844,735
Non-current derivative financial assets	3,325	3,325	42,353	42,353
Non-current derivative financial assets (currency forward)	100,514	100,514	137,663	137,663
Non-current derivative financial assets (currency swap)	10,776	10,776	295,283	295,283
Financial liabilities (current):				
Trade and other payables	9,206,649	(*)	7,909,492	(*)
Current borrowings (excluding lease liabilities)	6,679,515	(*)	6,611,422	(*)
Current derivative financial liabilities	14,167	14,167	331	331
Current derivative financial liabilities (currency swap)	9,947	9,947	-	-
Current financial liabilities at amortized cost	30,740	(*)	2,310	(*)
Financial liabilities (non-current):				
Non-current borrowings (excluding lease liabilities)	16,342,674	17,312,740	15,513,333	16,233,037
Other non-current payables	18,413	(*)	14,619	(*)
Non-current derivative financial liabilities	673	673	5	5
Non-current derivative financial liabilities (currency swap)	434,975	434,975	3,605	3,605
Non-current financial liabilities at amortized cost	2,956,773	(*)	2,404,241	(*)

(*) Fair values for these financial assets and liabilities are not disclosed above as their carrying amounts are reasonable approximation of their fair values.

(2) Fair values for measurement and disclosure are determined based on the following method:

Fair values of financial liabilities (non-current) are calculated by discounting the expected cash outflows by the yield of the Company's Korean won-denominated corporate bonds with the specified credit rating (AA0). The applied discount rates as of September 30, 2026, and December 31, 2025, are as follows:

	September 30, 2026	December 31, 2025
Discount rate	4.10%–5.53%	3.05%–4.52%

(3) 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 the Group can access at the measurement date (Level 1).
- All inputs other than quoted prices included in Level 1 that are observable (either directly, i.e., prices; or indirectly, i.e., derived from prices) for the asset or liability (Level 2).
- Unobservable inputs for the asset or liability (Level 3).

As of September 30, 2026, and December 31, 2025, the fair value hierarchy of financial instruments measured at fair value or for which fair value is disclosed is as follows (Korean won in millions):

	September 30, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets/liabilities measured at fair value:				
Current derivative financial assets	₩ -	₩ 10,340	₩ -	₩ 10,340
Non-current derivative financial assets	-	3,325	-	3,325
Non-current derivative financial assets (currency forward)	-	100,514	-	100,514
Non-current derivative financial assets (currency swap)	-	10,776	-	10,776
Other non-current financial assets (marketable financial assets)	248	-	-	248
Other non-current financial assets (non-marketable financial assets)	-	-	342,885	342,885
Current derivative financial liabilities	-	14,167	-	14,167
Current derivative financial liabilities (currency swap)	-	9,947	-	9,947
Non-current derivative financial liabilities	-	673	-	673
Non-current derivative financial liabilities (currency swap)	-	434,975	-	434,975
Financial assets/liabilities not measured at fair value:				
Non-current borrowings (excluding lease liabilities)	-	17,312,740	-	17,312,740

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets/liabilities measured at fair value:				
Current derivative financial assets	₩ -	₩ 4,147	₩ -	₩ 4,147
Current derivative financial assets (currency swap)	-	42,577	-	42,577
Non-current derivative financial assets	-	1,640	40,713	42,353
Non-current derivative financial assets (currency forward)	-	137,663	-	137,663
Non-current derivative financial assets (currency swap)	-	295,283	-	295,283
Other non-current financial assets (marketable financial assets)	857	-	-	857
Other non-current financial assets (non-marketable financial assets)	-	-	844,735	844,735
Current derivative financial liabilities	-	331	-	331
Non-current derivative financial liabilities	-	5	-	5
Non-current derivative financial liabilities (currency swap)	-	3,605	-	3,605
Financial assets/liabilities not measured at fair value:				
Non-current borrowings (excluding lease liabilities)	-	16,233,037	-	16,233,037

4. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of interim condensed consolidated financial statements requires the Group to make estimates and assumptions concerning the future. Management also needs to exercise judgment 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.

The significant estimates and assumptions made by management in the preparation of the Group's interim condensed consolidated financial statements are the same as those of the annual consolidated financial statements as of and for the year ended December 31, 2025.

The following are management's estimates and assumptions for its judgments regarding significant risks that may result in adjustments to the carrying amounts of assets and liabilities in the next fiscal year:

(1) Income taxes

The Group's taxable income generated from these operations is subject to income taxes based on tax laws and interpretations of tax authorities in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. If certain portion of the taxable income is not used for investments, increases in wages and others, the Group is liable to pay additional income tax calculated based on the tax laws. Accordingly, the measurement of current and deferred income taxes is affected by these tax effects. As the Group's income tax is dependent on the investments, increase in wages and dividends, there is uncertainty in measuring the final tax effects.

(2) Provisions

The Group recognizes provisions for product warranties as explained in Note 15. These provisions are estimated based on the average warranty period, revenue and historical claim experience rate. Provisions related to voluntary recalls by the Group's customer are estimated based on the number of vehicles subject to recall, estimated total repair cost and cost-sharing ratio.

(3) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at September 30, 2026 (see Note 3.3).

(4) Impairment of financial assets

The provision for impairment of financial assets is based on assumptions about the risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation based on its past experience and existing market conditions, as well as forward-looking estimates at the end of each reporting period (see Note 3.1.(2)).

(5) Net defined benefit liability (asset)

The present value of the net defined benefit liability (asset) depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate (see Note 16).

(6) Lease

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

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, that affects this assessment and is within the control of the lessee.

5. FINANCIAL INSTRUMENTS BY CATEGORY:

(1) Categorizations of financial instruments as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026				
Financial assets	**Financial assets at amortized cost**	**Financial assets at FVPL**	**Financial assets at FVOCI (*1)**	**Other financial assets (*2)**	**Total**
Cash and cash equivalents	₩ 4,262,381	₩ -	₩ -	₩ -	₩ 4,262,381
Trade receivables	6,746,980	-	8,251	-	6,755,231
Non-current trade receivables	948,409	-	-	-	948,409
Other current receivables	1,208,119	-	-	-	1,208,119
Other non-current receivables	672,690	-	-	-	672,690
Other current financial assets	-	-	-	10,340	10,340
Other non-current financial assets	-	338,857	117,208	1,683	457,748
	₩ 13,838,579	₩ 338,857	₩ 125,459	₩ 12,023	₩14,314,918

	September 30, 2026			
Financial liabilities	**Financial liabilities at amortized cost**	**Financial liabilities at FVPL**	**Other financial liabilities (*3)**	**Total**
Trade payables	₩ 3,846,189	₩ -	₩ -	₩ 3,846,189
Other payables	5,360,460	-	-	5,360,460
Other non-current payables	18,413	-	-	18,413
Current borrowings	6,679,515	-	204,487	6,884,002
Non-current borrowings	16,342,674	-	2,338,352	18,681,026
Other current financial liabilities	30,740	9,947	14,167	54,854
Other non-current financial liabilities	2,956,773	434,975	673	3,392,421
	₩ 35,234,764	₩ 444,922	₩ 2,557,679	₩ 38,237,365

	December 31, 2025				
Financial assets	**Financial assets at amortized cost**	**Financial assets at FVPL**	**Financial assets at FVOCI (*1)**	**Other financial assets (*2)**	**Total**
Cash and cash equivalents	₩ 3,779,307	₩ -	₩ -	₩ -	₩ 3,779,307
Trade receivables	4,211,490	-	99,688	-	4,311,178
Non-current trade receivables	383,553	-	-	-	383,553
Other current receivables	588,607	-	-	-	588,607
Other non-current receivables	160,904	-	-	-	160,904
Other current financial assets	-	42,577	-	4,147	46,724
Other non-current financial assets	-	1,211,702	109,048	141	1,320,891
	₩ 9,123,861	1,254,279	₩ 208,736	₩ 4,288	₩ 10,591,164

	December 31, 2025			
Financial liabilities	**Financial liabilities at amortized cost**	**Financial liabilities at FVPL**	**Other financial liabilities (*3)**	**Total**
Trade payables	₩ 2,152,800	₩ -	₩ -	₩ 2,152,800
Other payables	5,756,692	-	-	5,756,692
Other non-current payables	14,619	-	-	14,619
Current borrowings	6,611,422	-	74,784	6,686,206
Non-current borrowings	15,513,333	-	312,557	15,825,890
Other current financial liabilities	2,310	-	331	2,641
Other non-current financial liabilities	2,404,241	3,605	5	2,407,851
	₩ 32,455,417	3,605	₩ 387,677	₩ 32,846,699

(*1) At initial recognition, the Group made an irrevocable election to designate investments in equity instruments as at FVOCI. These instruments are held for strategic purposes, not for short-term trading. In addition, the Group classified trade receivables held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as financial assets at FVOCI.
(*2) Other financial assets include derivative assets.
(*3) Other financial liabilities include lease liabilities and derivative liabilities.

(2) Net gain (loss) on each category of financial instruments for the three-month and nine-month periods ended September 30, 2026 and 2025, is as follows (Korean won in millions):

	September 30, 2026		September 30, 2025	
	Three months	Nine months	Three months	Nine months
Interest income:				
Financial assets at amortized cost	₩ 78,762	₩ 192,936	₩ 51,749	₩ 150,461
Financial assets at FVPL	821	2,836	3,735	20,557
Interest expense:				
Financial liabilities at amortized cost	(338,566)	(974,892)	(247,555)	(679,160)
Other financial liabilities	(46,698)	(72,855)	(3,813)	(11,687)
Financial assets at amortized cost (*1)	(4,455)	(12,590)	-	-
Gain or loss on valuation/disposal:				
Financial assets at FVPL	-	(87,004)	(3,205)	(3,205)
Financial assets at FVOCI	(10,652)	(6,491)	3,588	(4,994)
Derivative instruments (*2)	(1,550,461)	(806,164)	353,266	(294,204)
Exchange differences:				
Financial assets at amortized cost	(564,325)	(313,261)	106,864	(235,161)
Financial liabilities at amortized cost	1,450,918	643,156	(304,076)	499,954
Financial assets at FVPL	(20,837)	7,271	16,298	(23,432)

(*1) Fees paid to financial institutions for factoring.
(*2) Includes fair value gains and losses recognized in profit or loss and other comprehensive income.

(3) Supplier financing arrangements

Supplier financing arrangements involve one or more financial institutions providing amounts that the Group is obligated to pay to the supplier. The Group then reimburses the financial institutions according to the terms of the arrangement after the supplier has received the payment. These arrangements typically provide the Group with an extended payment term beyond the supplier's payment due date or allow the supplier to receive payment earlier than expected.

As of September 30, 2026, and December 31, 2025, the Group has entered into the following supplier financing arrangements (Korean won in millions):

	September 30, 2026	December 31, 2025
Liabilities classified as accounts payable and other liabilities:		
The carrying amounts of accounts payable and other liabilities corresponding to supplier financing agreements (*)	₩ 673,088	₩ 1,041,733
The carrying amounts of accounts payable and other liabilities corresponding to the portion for which the supplier has already received payment from the financial provider	424,686	757,942

(*) Under the purchase card, and business-to-business ("B2B") procurement and other arrangements, the financial institution acquires certain trade receivables from the supplier. Although the purchase card arrangement modifies the timing of payment, the terms of the Group's liability are not substantively altered. Accordingly, the related balances continue to be presented within accounts payable and other liabilities in the interim condensed consolidated statements of financial position. In the interim condensed consolidated statements of cash flows, as the Group is not a party to the cash flows between the financial institution and the supplier and the substance of the liability remains unchanged, subsequent payments to the financial institution are treated as ordinary settlements of trade payables and are presented as cash outflows from operating activities.

The payment term ranges for financial liabilities under supplier financing agreements and for comparable purchase liabilities not under supplier financing agreements are as follows:

	The purchase card	B2B
Liabilities classified as accounts payable and other liabilities:		
The payment due date range for accounts payable covered by the supplier financing agreement	Within approximately 90 days from the payment date	Within 90 days from the end of the billing month
The range of payment dates for comparable accounts payable that are not supplier financing agreements	Within 60 days from the end of the billing month	Within 90 days from the end of the billing month

There were no significant business combinations or exchange rate differences affecting the supplier financing liabilities. The supplier financing liabilities are short term and their carrying amounts are considered to be a reasonable approximation of fair value.

6. CASH AND CASH EQUIVALENTS:

(1) Details of cash and cash equivalents as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Bank deposits and cash on hand	₩ 1,410,539	₩ 2,337,818
Cash equivalents	2,851,842	1,441,489
	₩ 4,262,381	₩ 3,779,307

(2) As of September 30, 2026, cash and cash equivalents include KRW 4,239 million, which is subject to a restriction on the use and remittance (as of December 31, 2025, was KRW 2,594 million).

7. TRADE AND OTHER RECEIVABLES:

(1) Trade and other receivables and their provisions for impairment as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026			December 31, 2025		
	Gross amount	Provision for impairment	Carrying amount	Gross amount	Provision for impairment	Carrying amount
Trade receivables	₩ 6,755,231	₩ -	₩ 6,755,231	₩ 4,311,178	₩ -	₩ 4,311,178
Non-current trade receivables	948,409	-	948,409	383,553	-	383,553
Other current receivables	1,208,119	-	1,208,119	588,607	-	588,607
Other non-current receivables	672,690	-	672,690	160,904	-	160,904
	₩ 9,584,449	₩ -	₩ 9,584,449	₩ 5,444,242	₩ -	₩ 5,444,242

(2) Details of other receivables as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Current:		
Non-trade receivables	₩ 1,093,675	₩ 506,697
Due from financial institutions (*1)	375	364
Accrued income	19,400	23,213
Loans	57	54
Guarantee deposits provided	94,612	58,279
	1,208,119	588,607
Non-current:		
Non-trade receivables	232,544	2,730
Due from financial institutions (*2)	86,170	115,133
Loans	9,694	8,543
Guarantee deposits provided	344,282	34,498
	672,690	160,904
	₩ 1,880,809	₩ 749,511

(*1) As of September 30, 2026, the use of such amounts is restricted in relation to dividend payments.
(*2) As of September 30, 2026, the deposits from financial institutions (non-current) are subject to withdrawal restrictions, which include KRW 60,000 million related to the agreement on Win-Win Growth Cooperation, KRW 14 million for guarantee deposits for current account opening, PLN 1 million related to overseas transfer of hazardous waste and USD 19 million as collateral for LOC issuance.

(3) The aging analysis of trade and other receivables as of September 30, 2026, and December 31, 2025, is as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Receivables not past due	₩ 7,565,174	₩ 1,723,931	₩ 4,513,221	₩ 678,565
Past due, but not impaired:				
Up to 3 months	86,956	134,280	181,510	65,344
Between 3 and 6 months	48,861	15,184	-	3,222
More than 6 months	2,649	7,414	-	2,380
	138,466	156,878	181,510	70,946
Impaired receivables	-	-	-	-
	₩ 7,703,640	₩ 1,880,809	₩ 4,694,731	₩ 749,511

(4) Changes in the provision for impairment of trade and other receivables for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026		2025	
	Trade receivables	Other receivables	Trade receivables	Other receivables
Beginning	₩ -	₩ -	₩ 1	₩ -
Reversals	-	-	(1)	-
Ending	₩ -	₩ -	₩ -	₩ -

(5) The fair values of trade receivables and other receivables as of September 30, 2026, and December 31, 2025, are not significantly different from their carrying amounts.

(6) The Group transferred KRW 1,527,125 million of trade receivables as of September 30, 2026 (as of December 31, 2025, was KRW 246,772 million), along with substantially all the risks and rewards of ownership, and derecognized the amount from the consolidated financial statements on the transfer date.

8. OTHER FINANCIAL ASSETS AND LIABILITIES:

(1) Details of other financial assets and liabilities as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Other financial assets:		
Financial assets at FVOCI	₩ 117,208	₩ 109,048
Cash flow hedge	12,023	4,288
Financial assets at FVPL	338,857	1,254,279
	₩ 468,088	₩ 1,367,615
Other financial liabilities:		
Cash flow hedge	₩ 14,840	₩ 336
Financial liabilities at FVPL	444,922	3,605
Other financial liabilities at amortized cost	2,987,513	2,406,551
	₩ 3,447,275	₩ 2,410,492

(2) Details of changes in equity securities included in other financial assets for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026	2025
Beginning (*1)	₩ 109,048	₩ 163,991
Acquisitions/Transfer (*2)	534,246	14,822
Disposal (*2) (*3)	(433,293)	(24,035)
Valuation loss (before income tax deduction), profit or loss item (*2)	(83,732)	-
Valuation loss (before income tax deduction), other comprehensive loss item	(6,491)	(44,265)
Others	(2,570)	(1,465)
Ending (*1)	₩ 117,208	₩ 109,048

(*1) The Group has entered into a put option contract to secure investment capital for its equity securities held in Capchem Poland SP. Z o. o. The major terms of the agreement are as follows, and the Group notified its intention to exercise the put option during the current interim period.
:

	Capchem Poland SP. Z o. o.
Exercise date	From five years after the contract date (initial investment date, April 9, 2021) to the following one year (with three months' prior notice).
Exercise price	The higher amount between the fair market value and the investment principal.

(*2) During the current period, the Group exercised the conversion right attached to the convertible bond issued by Liontown Resources Ltd., acquired equity instruments upon conversion and subsequently disposed of the entire holding.

(*3) During the current period, the Group exercised the put option relating to its investment in Volta Energy Solutions S.a.r.l. and is expected to dispose of the entire holding upon receipt of the remaining consideration and transfer of ownership in accordance with the agreement.

9. INVENTORIES:

(1) Details of inventories as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026			December 31, 2025		
	Gross amount	Valuation allowance	Carrying amount	Gross amount	Valuation allowance	Carrying amount
Merchandise	₩ 666,219	₩ (27,239)	₩ 638,980	₩ 221,414	₩ (23,115)	₩ 198,299
Finished/Semifinished products	4,059,163	(183,281)	3,875,882	2,231,682	(252,607)	1,979,075
Raw materials	1,788,883	(43,983)	1,744,900	1,789,238	(32,393)	1,756,845
Supplies	137,219	(29,141)	108,078	148,454	(31,728)	116,726
Materials in transit	483,184	-	483,184	299,462	-	299,462
	₩ 7,134,668	₩ (283,644)	₩ 6,851,024	₩ 4,690,250	₩ (339,843)	₩ 4,350,407

(2) The amounts of inventories expensed as cost of sales for the nine-month periods ended September 30, 2026 and 2025, were KRW 16,269,233 million and KRW 13,679,112 million, respectively.

10. INVESTMENTS IN ASSOCIATES:

(1) Changes in investments in associates for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026					
	Beginning	Acquisitions	Dividend	Share of profit (loss) of associates	Capital adjustment from equity method	Ending
Sama Aluminium Co., Ltd. (*1)	₩ 31,876	₩ -	₩ (38)	₩ (1,042)	₩ -	₩ 30,796
Nexpo Co., Ltd. (*2)	5,865	-	-	(411)	-	5,454
Bricks Capital Management Global Battery Private Equity Fund I	14,512	507	-	(406)	-	14,613
Jeju Bukchon BESS Power Plant Co., Ltd. (*3)	677	-	-	(598)	-	79
PT LBM Energi Baru Indonesia (*4)	23,103	-	-	4,653	(1,901)	25,855
EV-LOOP (*5)	1,686	-	-	(312)	(116)	1,258
	₩ 77,719	₩ 507	₩ (38)	₩ 1,884	₩ (2,017)	₩ 78,055

	2025						
	Beginning	Acquisitions	Dividend	Share of profit(loss) of associates	Capital adjustment from equity method	Impairment	Ending
Sama Aluminium Co., Ltd. (*1)	₩ 45,396	₩ -	₩ (38)	₩ (2,429)	₩ -	₩ (11,053)	₩ 31,876
Nexpo Co., Ltd. (*2)	3,831	2,375	-	(341)	-	-	5,865
Bricks Capital Management Global Battery Private Equity Fund I	13,162	444	-	906	-	-	14,512
Jeju Bukchon BESS Power Plant Co., Ltd. (*3)	-	900	-	(223)	-	-	677
PT LBM Energi Baru Indonesia (*4)	-	22,107	-	186	810	-	23,103
EV-LOOP (*5)	-	1,714	-	-	(28)	-	1,686
	₩ 62,389	₩ 27,540	₩ (38)	₩ (1,901)	₩ 782	₩ (11,053)	₩ 77,719

(*1) Although the ownership is less than 20%, the Group has determined that it has significant influence due to its ability to participate in the decision-making process through a shareholders' agreement. Under the terms of the agreement, the Group holds the right to request the sale of its held shares if events, such as the termination of the shareholders' agreement or the master purchase agreement, occur.
(*2) Although the ownership is less than 20%, the Group has determined that it has significant influence due to its ability to participate in the decision-making process through a shareholders' agreement. Under the terms of the agreement, the Group holds the right to request the sale of its held shares if events, such as the termination of the shareholders' agreement or the master purchase agreement, occur.
(*3) Although the ownership is less than 20%, the Group has determined that it has significant influence due to its ability to participate in the decision-making process through a shareholders' agreement. Under the terms of the agreement, if a particular investor is excluded from the shareholders' agreement due to a breach of contract or other matters, the other investors may purchase the excluded investor's shares.
(*4) Under the terms of the agreement, the Group holds the right to request the sale of its held shares if events, such as the termination of the shareholders' agreement or the master purchase agreement, occur. If the shareholders' agreement is terminated due to reasons attributable to the Group, the controlling shareholder has the right to purchase the shares held by the Group.
(*5) Under the terms of the agreement, the Group may exercise the right to request the sale of its held shares if the counterparty shareholder breaches major contractual obligations, and the counterparty shareholder may exercise the right to purchase the shares held by the Group if the Group breaches major contractual obligations. In addition, if certain events occur, such as the expiration of the contract period, each shareholder may exercise the right to purchase the shares held by the other party.

(2) As of September 30, 2026, and December 31, 2025, the processes of adjusting the financial information to the carrying amounts of shares in associates are as follows (Korean won in millions):

	September 30, 2026				
	Net assets	Group's percentage of ownership	Net asset value for shares	Internal transactions and others	Carrying amount
Sama Aluminium Co., Ltd.	₩ 220,082	9.9	₩ 21,788	₩ 9,008	₩ 30,796
Nexpo Co., Ltd.	28,893	19.0	5,490	(36)	5,454
Bricks Capital Management Global Battery Private Equity Fund I	24,503	59.9	14,677	(64)	14,613
Jeju Bukchon BESS Power Plant Co., Ltd.	482	10.0	48	31	79
PT LBM Energi Baru Indonesia	155,789	20.0	31,158	(5,303)	25,855
EV-LOOP	2,515	50.0	1,258	-	1,258
	₩ 432,264		₩ 74,419	₩ 3,636	₩ 78,055

	December 31, 2025					
	Net assets	Group's percentage of ownership	Net asset value for shares	Internal transactions and others	Impairment	Carrying amount
Sama Aluminium Co., Ltd.	₩ 219,934	10.2	₩ 22,433	₩ 20,496	(11,053)	₩ 31,876
Nexpo Co., Ltd.	30,185	19.0	5,735	130	-	5,865
Bricks Capital Management Global Battery Private Equity Fund I	24,334	59.9	14,576	(64)	-	14,512
Jeju Bukchon BESS Power Plant Co., Ltd.	6,460	10.0	646	31	-	677
PT LBM Energi Baru Indonesia	124,480	20.0	24,896	(1,793)	-	23,103
EV-LOOP	3,371	50.0	1,686	-	-	1,686
	₩ 408,764		₩ 69,972	₩ 18,800	(11,053)	₩ 77,719

11. PROPERTY, PLANT AND EQUIPMENT:

(1) Changes in property, plant and equipment for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026	2025
Beginning	₩ 40,794,759	₩ 38,349,552
Acquisition	6,749,954	11,372,633
Transfers (*1)	(658,607)	(4,420,860)
Disposal (*2)	(402,135)	(847,399)
Exchange differences	(2,292,938)	107,104
Depreciation	(3,272,398)	(3,407,616)
Impairment	(122,117)	(363,353)
Impairment reversal	-	4,698
Ending	₩ 40,796,518	₩ 40,794,759

(*1) During the prior period, transfers included KRW 3,911,334 million resulting from the classification of assets as held for sale.

(*2) During the current period, disposals included a decrease in the carrying amount of KRW 255,733 million resulting from early retirement (for the year ended December 31, 2025, was KRW 673,864 million).

(2) The current-year ending balances of property, plant and equipment include KRW 10,155,350 million of construction in progress as of September 30, 2026, and some of it will subsequently be transferred to intangible assets (as of December 31, 2025, was KRW 12,475,307 million).

(3) The Group capitalized KRW 172,638 million of borrowing costs in relation to the acquisition of property, plant and equipment (for the nine-month period ended September 30, 2025, was KRW 64,386 million). The capitalization rate of borrowings used to determine the amount of borrowing costs eligible for capitalization is 4.75% (for the nine-month period ended September 30, 2025, was 4.67%).

(4) Line items, including depreciation, in the interim condensed consolidated statements of profit or loss for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 1,018,885	₩ 2,970,503	₩ 758,501	₩ 2,207,536
Selling and administrative expenses	105,748	301,895	88,281	240,358
	₩ 1,124,633	₩ 3,272,398	₩ 846,782	₩ 2,447,894

(5) Lease

1) Amounts recognized in the interim condensed consolidated statements of financial position

Details of amounts recognized in the interim condensed consolidated statements of financial position in relation to lease for the nine-month period ended September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Right-of-use assets (*):		
Real estate	₩ 2,530,305	₩ 382,673
Machinery	476	513
Vehicles	9,058	9,953
Tools	4,998	4,603
Equipment	807	855
	₩ 2,545,644	₩ 398,597

(*) Included in 'Property, plant and equipment' in the interim condensed consolidated statements of financial position.

Additions to the right-of-use assets for the nine-month period ended September 30, 2026, are KRW 2,564,288 million (for the nine-month period ended September 30, 2025, were KRW 139,064 million).

	September 30, 2026	December 31, 2025
Lease liabilities (*):		
Current	₩ 204,487	₩ 74,784
Non-current	2,338,352	312,557
	₩ 2,542,839	₩ 387,341

(*) Included in 'Borrowings' in the interim condensed consolidated statements of financial position.

2) Amounts recognized in the interim condensed consolidated statements of profit or loss

Details of amounts recognized in the interim condensed consolidated statements of profit or loss in relation to lease for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Depreciation of right-of-use assets:				
Real estate	₩ 70,084	₩ 147,900	₩ 20,924	₩ 59,254
Machinery	77	257	82	278
Vehicles	2,185	6,751	2,366	7,290
Tools	537	1,382	293	879
Equipment	90	269	87	270
	₩ 72,973	₩ 156,559	₩ 23,752	₩ 67,971
Interest expense relating to lease liabilities (included in finance costs)	₩ 46,698	₩ 72,855	₩ 3,813	₩ 11,687
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)	4,681	16,754	4,213	20,970
Expense relating to leases of low-value assets that are not short-term leases (included in cost of goods sold and administrative expenses)	1,418	5,365	1,823	5,561

Total cash outflow for leases for the nine-month period ended September 30, 2026, is KRW 206,563 million (for the nine-month period ended September 30, 2025, was KRW 102,960 million).

12. INTANGIBLE ASSETS:

(1) Changes in intangible assets for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026	2025
Beginning	₩ 1,591,606	₩ 1,284,576
Acquisition	175,104	157,863
Transfers	230,098	436,233
Disposal	(19,567)	(10,728)
Exchange differences	(25,204)	2,489
Amortization	(246,175)	(277,693)
Impairment	(6)	(1,134)
Ending	₩ 1,705,856	₩ 1,591,606

(2) Line items, including amortization of intangibles, in the interim condensed consolidated statements of profit or loss for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 14,185	₩ 42,050	₩ 11,220	₩ 35,438
Selling and administrative expenses	71,216	204,125	57,889	168,646
	₩ 85,401	₩ 246,175	₩ 69,109	₩ 204,084

(3) Greenhouse gas emission right

1) The amount of allocated greenhouse gas emission rights for the domestic third plan period (2021-2025) is as follows (ton in thousands):

	2021	2022	2023	2024	2025
Allocated emission rights	281	332 (*1)	360 (*2)	419 (*3)	430 (*4)

(*1) An additional 32,000 tons have been allocated due to the expansion of the workplace discharge facility in addition to the initial free amount of 300,000 tons of allocated greenhouse gas emission rights.
(*2) An additional 60,000 tons have been allocated as the emissions were confirmed for 2023.
(*3) An additional 122,000 tons have been allocated as the emissions were confirmed for 2024.
(*4) An additional 133,000 tons have been allocated as the emissions were confirmed for 2025.

2) The amount of allocated greenhouse gas emission rights for the domestic fourth plan period (2026-2030) is as follows (ton in thousands):

	2026	2027	2028	2029	2030
Allocated emission rights	331	328	324	321	317

3) Changes in greenhouse gas emission rights (included in other intangible assets) for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (ton in thousands and Korean won in millions):

	2026			
	2025		2026	
	Ton	Amount	Ton	Amount
Beginning/Allocated	440	₩ -	331	₩ -
Purchase/Sale	(3)	-	-	-
Borrowing/Carried over	(10)	-	10	-
Government submission	(427)	-	-	-
Ending	-	₩ -	341	₩ -

	2025			
	2024		2025	
	Ton	Amount	Ton	Amount
Beginning/Allocated	419	₩ -	297	₩ -
Purchase/Sale	(2)	-	-	-
Borrowing/Carried over	(9)	-	9	-
Government submission	(408)	-	-	-
Ending	-	₩ -	306	₩ -

4) Based on the European Union Emission Trading System, changes in greenhouse gas emission rights (included in other intangible assets) for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (ton in thousands and Korean won in millions):

	September 30, 2026		December 31, 2025	
	Ton	Amount	Ton	Amount
Beginning	97	₩ 11,239	112	₩ 11,568
Increase	85	8,319	96	10,059
Usage	(93)	(11,040)	(111)	(10,388)
Ending	89	₩ 8,518	97	₩ 11,239

13. OTHER CURRENT AND NON-CURRENT ASSETS:

Details of other current and non-current assets as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

		September 30, 2026		December 31, 2025
Current:				
Prepayments	₩	91,330	₩	139,624
Prepaid expenses		239,614		265,565
Prepaid value-added taxes		225,485		102,789
Current costs to fulfill a contract		93,053		78,212
Others (*)		1,765,242		674,576
	₩	2,414,724	₩	1,260,766
Non-current:				
Long-term prepayments	₩	242,635	₩	136,057
Long-term prepaid expenses		88,237		115,620
Net defined benefit assets		44,588		104,547
Costs to fulfill a contract		404,086		852,459
Others		79		86
	₩	779,625	₩	1,208,769

(*) Others for the nine-month period ended September 30, 2026, include KRW 1,517,467 million expected to be received in connection with IRA tax credits (as of December 31, 2025, the amount was KRW 538,902 million).

14. BORROWINGS:

(1) Borrowings as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

		September 30, 2026		December 31, 2025
Current:				
Short-term borrowings	₩	3,023,435	₩	2,680,627
Current portion of long-term borrowings		1,408,150		2,608,565
Current portion of debentures		2,247,930		1,322,230
Current lease liabilities		204,487		74,784
	₩	6,884,002	₩	6,686,206
Non-current:				
Long-term borrowings	₩	5,235,865	₩	4,735,049
Debentures		11,106,809		10,778,284
Non-current lease liabilities		2,338,352		312,557
		18,681,026		15,825,890
	₩	25,565,028	₩	22,512,096

(2) Details of borrowings as of September 30, 2026, and December 31, 2025, are as follows:

		Currency	Bank	Longest maturity date	Interest rate (%)	Carrying amount	
						September 30, 2026	December 31, 2025
Short-term borrowings	Bank loans	KRW	Korea Exim Bank	01.25.2027	3M market yield on Supply Chain Resilience Fund + 0.01	₩ 300,000	₩ -
		Foreign currencies	Citibank and others	09.22.2027	2.80–5.21	2,723,435	2,680,627
						₩ 3,023,435	₩ 2,680,627
Long-term borrowings (*1)	Bank loans	KRW	Shinhan Capital and others	11.30.2028	4.20	₩ 4,145	₩ 274,351
		Foreign currencies	JP Morgan and others (*2)	06.02.2036	0.48–5.70	6,639,870	7,069,263
						₩ 6,644,015	₩ 7,343,614
Debentures	Public (*3)	KRW	Korea Investment & Securities Co., Ltd. and others	03.05.2036	3.138–4.613	₩ 4,325,000	₩ 4,275,000
	Private	Foreign currencies	Citibank and others	04.02.2036	3.625–5.875	9,101,280	7,891,950
	Less: Discount on debentures					(71,541)	(66,436)
						₩ 13,354,739	₩ 12,100,514
						₩ 23,022,189	₩ 22,124,755

(*1) The Group has entered into loan agreements stipulating that a loss of benefit of term will occur if the agreed ratio under the covenant is not maintained based on the quarterly, half-year, or full fiscal year results. As of the end of the current period, the relevant amount is KRW 5.5 trillion and the covenant ratios applicable to non-current long-term borrowings that have not been reclassified as current have been complied with.

(*2) During the prior period, General Motors (“GM”) repaid the Group’s loan from the U.S. Department of Energy (“DOE”). As of the end of the current period, the outstanding balance of borrowings related to GM amounts to KRW 1.1 trillion, with a final maturity date of April 30, 2030.

(*3) The Group has entered into debenture agreements stipulating that a loss of the benefit of the term will occur if the agreed ratio under the covenant is not maintained based on the reporting for each quarter, half-year or full fiscal year. As of the end of the current period, the relevant amount is KRW 4.3 trillion and the covenant ratios have been complied with.

(3) Lease liabilities (Korean won in millions):

	September 30, 2026		
	Interest rate (%)	Longest maturity date	Amount
Y22 Project Financing Investment Ltd. and others	0.67–8.50	11.15.2053	₩ 2,542,839

	December 31, 2025		
	Interest rate (%)	Longest maturity date	Amount
Baeksan Industry and others	0.67–8.42	11.15.2053	₩ 387,341

15. PROVISIONS:

Changes in provisions for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026			
	Warranty (*1)	Greenhouse gas emission (*2)	Other provisions (*3)	Total
Beginning	₩ 1,904,456	₩ 9,694	₩ 120,846	₩ 2,034,996
Provision transfer (Reversal of Provision)	915,758	11,703	(2,404)	925,057
Used	(405,028)	(11,040)	(4,433)	(420,501)
Ending	2,415,186	10,357	114,009	2,539,552
Less: Current portion	(1,167,802)	(10,357)	(107,350)	(1,285,509)
	₩ 1,247,384	₩ -	₩ 6,659	₩ 1,254,043

	December 31, 2025			
	Warranty (*1)	Greenhouse gas emission (*2)	Other provisions (*3)	Total
Beginning	₩ 1,693,916	₩ 11,168	₩ 118,070	₩ 1,823,154
Provision transfer	750,518	8,914	2,776	762,208
Used	(539,978)	(10,388)	-	(550,366)
Ending	1,904,456	9,694	120,846	2,034,996
Less: Current portion	(958,508)	(9,694)	(113,014)	(1,081,216)
	₩ 945,948	₩ -	₩ 7,832	₩ 953,780

(*1) Warranty provisions have been accrued for the estimated warranty costs expected to arise in connection with products sold, including quality assurance, exchanges and refunds. Such estimates are determined primarily based on historical claims rate and other relevant factors. In addition, provisions have been recognized based on the best estimates for voluntary recalls and external replacement costs, etc., related to automotive and ESS batteries, etc. The provision amount is adjusted to reflect the best estimate. As of September 30, 2026, the estimated warranty provision determined based on historical claims rate, etc., amounted to KRW 1,744,971 million (as of December 31, 2025, was KRW 1,549,908 million).

(*2) In relation to greenhouse gas emissions, the Group estimates the expected future costs of emissions exceeding the Group's emission rights for the year and recognizes them as provisions. Estimated emissions are 390 thousand tons for the nine-month period ended September 30, 2026 (for the year ended December 31, 2025, were 490 thousand tons).

(*3) In addition to provisions for warranties and greenhouse gases, the Group has reasonably estimated the probable amount of resource outflow embodying economic benefits as a present obligation resulting from past events and recognized it.

16. NET DEFINED BENEFIT LIABILITIES (ASSETS):

(1) Details of net defined benefit liabilities (assets) as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Present value of defined benefit obligations (*1)	₩ 672,674	₩ 684,097
Fair value of plan assets	(716,797)	(788,291)
	₩ (44,123)	₩ (104,194)
Net defined benefit liabilities	₩ 465	₩ 353
Net defined benefit assets (*2)	(44,588)	(104,547)
	₩ (44,123)	₩ (104,194)

(*1) The present value of retirement benefit obligations is the amount after deducting contributions to the National Pension Plan of KRW 25 million as of September 30, 2026 (as of December 31, 2025, was KRW 25 million).
(*2) The KRW 44,588 million of plan assets exceeding the defined benefit obligations of the Parent Company is included in other non-current assets as of September 30, 2026 (as of December 31, 2025, was KRW 104,547 million).

(2) The amounts recognized in the interim condensed consolidated statements of profit or loss for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Current service cost	₩ 21,586	₩ 64,688	₩ 22,874	₩ 68,643
Net interest cost	(1,306)	(3,919)	(1,463)	(4,389)
	₩ 20,280	₩ 60,769	₩ 21,411	₩ 64,254

(3) Retirement benefits recognized for defined contribution plan for the nine-month period ended September 30, 2026, amounted to KRW 29,781 million (the nine-month period ended September 30, 2025, was KRW 8,928 million).

(4) Retirement benefits recognized in the interim condensed consolidated statements of profit or loss for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Cost of sales	₩ 11,178	₩ 26,068	₩ 7,838	₩ 23,997
Selling and administrative expenses	25,518	64,482	14,701	49,185
	₩ 36,696	₩ 90,550	₩ 22,539	₩ 73,182

(5) Changes in the present value of defined benefit obligations for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026	2025
Beginning	₩ 684,097	₩ 667,476
Transfer in	861	642
Transfer out	(374)	(1,282)
Current service cost	64,688	90,151
Past service cost	-	8,209
Interest expense	25,105	25,498
Remeasurements:		
Actuarial gain from change in financial assumption	-	(78,204)
Actuarial loss from change in demographic assumption	-	32
Actuarial loss due to the difference between the estimated and the actual	-	41,436
Others	-	105
Payments from plans	(101,703)	(69,966)
Ending	₩ 672,674	₩ 684,097

(6) Changes in the fair value of plan assets for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	2026	2025
Beginning	₩ 788,291	₩ 809,839
Transfer out	(212)	(107)
Interest income	29,024	32,650
Remeasurements:		
Loss on plan assets (excluding amounts included in interest income)	(8,761)	(2,613)
Contribution:		
Employer contribution to plan assets	794	10,793
Payments from plans	(91,234)	(60,853)
Administrative costs	(1,105)	(1,418)
Ending	₩ 716,797	₩ 788,291

(7) The actual return on plan assets for the nine-month period ended September 30, 2026, was KRW 20,263 million (the nine-month period ended September 30, 2025, was KRW 25,212 million).

(8) The significant actuarial assumptions as of September 30, 2026, and December 31, 2025, are as follows:

	September 30, 2026	December 31, 2025
Discount rate	5.00%	5.00%
Salary growth rate	3.96%	3.96%

(9) The sensitivity analysis for changes in key actuarial assumptions as of September 30, 2026, is as follows (Korean won in millions):

	Increase by 1.0%	Decrease by 1.0%
Discount rate:		
(Decrease) increase in defined benefit liabilities	₩ (71,764)	₩ 84,833
Salary growth rate:		
Increase (decrease) in defined benefit liabilities	88,569	(75,802)

A decrease in corporate bond yields may lead most significantly to an increase in defined benefit liabilities.

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

The methods and assumptions used for the sensitivity analysis are the same as those of the previous period.

(10) Plan assets as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	Amount	Composition (%)	Amount	Composition (%)
Insurance contracts with guaranteed yield	₩ 716,797	100	₩ 788,291	100

Plan assets consist of guaranteed debt instruments 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 of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

		September 30, 2026		December 31, 2025
Current:				
Advances from customers	₩	1,116,533	₩	659,326
Withholdings and others		49,033		92,911
Unearned revenues		16,196		8,544
Accrued expenses and others		429,857		251,698
	₩	1,611,619	₩	1,012,479
Non-current:				
Long-term employee benefits	₩	35,897	₩	33,889
Net defined benefit liabilities		465		353
Long-term unearned revenues		19,182		22,145
Long-term advance received		1,656,592		1,732,684
	₩	1,712,136	₩	1,789,071

18. COMMITMENTS AND CONTINGENCIES:

(1) The Group is jointly liable with LG Chem Ltd. for liabilities recognized before the split-off date.

(2) As of September 30, 2026, the Group has been guaranteed by Seoul Guarantee Insurance Company for the execution of contracts and others.

(3) As of September 30, 2026, the Group has various specific line of credit agreements with several financial institutions as follows (Korean won in millions and foreign currencies in millions):

		September 30, 2026 (*1)	
	Currency	The Parent Company	Certain subsidiaries
Overdraft	USD	-	70
	EUR	-	330
Limit of letter of credit	USD	10	-
Limit of discount of notes from export	USD	660	-
Limit of guaranteed payments in other foreign currency (*2)	USD	275	1,926
	CNY	-	560
	PLN	-	327
	CAD	-	6
B2B purchase arrangements	USD	25	250
	CNY	-	3,155
	EUR	-	20
	KRW	135,000	-
General loan agreements	USD	-	8,410
	CNY	-	6,492
	EUR	-	1,635
	KRW	1,880,000	-
Factoring arrangements	USD	-	1,100
	KRW	50,000	-

(*1) As of the end of the reporting period, the Group has entered into derivative agreements with financial institutions to manage certain risks.
(*2) The Group has entered into payment guarantee contracts with financial institutions within agreed limits in relation to quality and bid guarantees and customs clearance of imported raw materials.

(4) The Group has entered into an arrangement with General Motors (“GM”) regarding joint investment in Ultium Cells Holdings LLC and Ultium Cells LLC. Under specific conditions, including counterparty breach of obligations, GM may exercise a put option over its shares, while both parties may exercise call options over the counterparty's shares. Both parties hold rights of first refusal upon transfer of the counterparty's shares, and upon dissolution of the joint venture, the Group has the right to acquire certain joint venture assets. Also, the Group decided to provide a payment guarantee of USD 396 million, representing its proportionate share of Ultium Cells LLC’s total borrowings of USD 792 million. The loan is secured by security interests over Ultium Cells LLC’s assets.

(5) The Group is a defendant in, or is otherwise involved in, six class actions by consumers in relation to the sales of mobile batteries and GM Bolt EV, and the actions are still in process as of September 30, 2026. The Group has also filed five lawsuit cases (amounted to USD 234 million) and has been sued in 76 other cases (amounted to USD 3 million, PLN 1 million, CNY 2 million and KRW 2,992 million), among others. The ultimate outcome of these pending cases cannot be determined at the reporting date.

(6) 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 it provides in relation to its business.

(7) The Group has entered into a joint venture agreement with Honda and has committed to invest USD 1,802 million and has contributed USD 1,801 million as of the end of September 30, 2026. In addition, under specific conditions, including contract expiry or counterparty breach of obligations, both parties may exercise put options on their own shares and call options on the counterparty's shares and rights of first refusal over joint venture assets.

(8) The Group has entered into a joint venture agreement with HMG Global LLC in relation to the joint venture, HLBMA LLC, and has completed its contribution of USD 1,084 million as of September 30, 2026. Under specific conditions, including contract expiry or counterparty breach of obligations, HMG Global LLC holds a put option over its shareholding, while the Group holds a call option over the counterparty's shareholding (provided, however, that under certain limited circumstances such as the Group's bankruptcy, HMG Global LLC holds a call option), and upon liquidation of the joint venture, both parties may exercise rights of first refusal over certain joint venture assets.

(9) As of September 30, 2026, the Group has entered into a joint venture agreement with Hyundai Motor Group with respect to PT. HLI Green Power. The Group has decided to provide a payment guarantee of USD 315 million, determined by its proportionate ownership of the borrowed amount up to a maximum limit of USD 629 million. Under specific conditions, including counterparty breach of obligations, both parties may exercise put options on their own shares and call options on the counterparty's shares. The Group holds rights of first refusal upon disposal of joint venture-owned facilities or termination of the license agreement, and both parties hold such rights upon any transfer of the counterparty's shares.

(10) As of September 30, 2026, the Group has entered into commitments totaling USD 2,358 million for the construction of a new plant of LG Energy Solution Arizona, Inc.

(11) LG Energy Solution Michigan Inc. and Ultium Cells LLC, subsidiaries of the Group, entered into an asset transfer agreement in March 2025 whereby LG Energy Solution Michigan Inc. acquired assets related to Ultium Cells LLC's Plant 3 for USD 2,154 million. Ultium Cells LLC is obligated to remit a portion of the transaction proceeds to the Group's non-controlling shareholders, with USD 514 million outstanding as of September 30, 2026. In addition, the Group has provided a guarantee in respect of certain advances, under which an obligation to refund amounts to non-controlling shareholders arises if Ultium Cells LLC fails to meet its obligations.

(12) Capital expenditure arrangements that have not been incurred as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Property, plant and equipment	₩ 3,813,120	₩ 5,336,826

(13) Investment commitments as of September 30, 2026, are as follows (Korean won and USD in millions, and EUR in thousands):

	Currency	Contractual amount	Total investments	Remaining amount
BNZ (Beyond Net Zero) Fund	USD	75	66	9
Secondary Battery Growth Fund	KRW	6,700	6,700	-
KBE (Korea Battery ESG) Fund	KRW	75,000	62,163	12,837
Bricks Capital Management Global Battery Private Equity Fund I	KRW	30,000	20,095	9,905
Yonsei Technology Holdings IP Fund	KRW	3,000	3,000	-
EV-LOOP	EUR	8,750	1,000	7,750

19. SHARE CAPITAL:

Changes in share capital and share premium for the nine-month period ended September 30, 2026, are as follows (Korean won in millions and shares):

	Ordinary shares		
	Number of shares	Share capital	Share premium
December 31, 2025	234,000,000	₩ 117,000	₩ 17,589,722
Changes	-	-	-
September 30, 2026	234,000,000	₩ 117,000	₩ 17,589,722

20. RETAINED EARNINGS (ACCUMULATED DEFICIT):

Details of retained earnings (accumulated deficit) as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Unappropriated retained earnings (undisposed accumulated deficit)	₩ (1,209,413)	₩ 332,209

21. OPERATING PROFITS :

(1) The major items encompassed in the calculation of operating profits for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Revenue and other income:				
Revenue from external customers	₩ 8,936,868	₩ 22,313,529	₩ 5,699,873	₩ 17,530,276
Government grants (*)	706,565	1,445,120	365,496	1,313,973
	9,643,433	23,758,649	6,065,369	18,844,249
Cost of sales	7,380,314	18,708,885	4,252,880	14,069,070
Gross profit	2,263,119	5,049,764	1,812,489	4,775,179
Selling and administrative expenses:				
Wages and salaries	310,636	946,825	275,486	802,426
Retirement benefits	25,518	64,482	14,701	49,185
Employee benefits	71,794	217,821	59,091	186,042
Travel expenses	20,835	60,725	13,496	49,337
Water and utilities	33,283	92,236	29,224	78,835
Usage fees	19,366	47,300	11,893	31,909
Commission expenses	185,836	565,068	192,521	530,551
Depreciation	107,200	306,255	89,777	244,835
Advertising expenses	4,904	14,819	6,858	19,834
Freight expenses	36,919	89,654	11,424	63,384
Training expenses	5,241	14,722	5,868	14,649
Amortization	71,216	204,125	57,889	168,646
Sample expenses	1,699	10,411	1,140	3,046
Development costs	100,906	246,861	113,072	226,377
Addition to warranty provisions	191,926	915,758	178,390	446,559
Others	319,835	591,150	150,350	391,423
	1,507,114	4,388,212	1,211,180	3,307,038
Operating profits	₩ 756,005	₩ 661,552	₩ 601,309	₩ 1,468,141

(*) Under the Advanced Manufacturing Production Tax Credit and other provisions of the U.S. Inflation Reduction Act, effective January 1, 2023, the tax credit can be received for battery cells/modules produced and sold in the U.S., and the amount above is expected to be received by the Group for the period ended September 30, 2026.

(2) Consolidated revenue of the Group consists of sales of battery-related products and service sales, such as research and development, most of which are recognized at a time in relation to the sales of goods.

22. CLASSIFICATION OF EXPENSES BY NATURE:

Expenses by nature for the three-month and the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Changes in inventories of merchandise, finished goods, semifinished goods and work in process	₩ (614,494)	₩ (2,337,488)	₩ (653,303)	₩ (65,955)
Raw materials and consumables used	2,077,966	5,908,169	2,682,575	8,333,358
Purchase of merchandise	2,616,914	6,081,530	324,096	723,593
Employee benefit expenses	898,995	2,582,942	719,419	2,117,533
Advertising expenses	4,909	14,860	7,211	20,747
Freight expenses	71,104	157,167	16,091	75,404
Commission expenses	500,936	1,226,735	408,864	1,170,048
Depreciation and amortization	1,211,486	3,522,933	917,387	2,656,455
Rent expenses	10,716	29,036	10,487	31,239
Transfers to provisions for service warranties	191,926	915,758	178,390	446,559
Other expenses	1,916,970	4,995,455	852,843	1,867,127
	₩ 8,887,428	₩ 23,097,097	₩ 5,464,060	₩ 17,376,108

23. EMPLOYEE BENEFIT EXPENSES:

Details of employee benefit expenses for the three-month and the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Wages and salaries	₩ 745,059	₩ 2,138,840	₩ 594,288	₩ 1,730,175
Retirement benefits: Defined benefit plan	20,280	60,769	21,411	64,254
Retirement benefits: Defined contribution plan	16,416	29,781	1,128	8,928
Others	117,240	353,552	102,592	314,176
	₩ 898,995	₩ 2,582,942	₩ 719,419	₩ 2,117,533

24. FINANCE INCOME AND COSTS:

Details of finance income and costs for the three-month and the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Finance income:				
Interest income (*1)	₩ 79,583	₩ 195,772	₩ 55,484	₩ 171,018
Dividend income	-	-	-	101
Exchange differences	685,907	994,776	(208,206)	573,908
Gain (loss) on derivative instruments	(738,590)	708	68	1,702
	₩ 26,900	₩ 1,191,256	₩ (152,654)	₩ 746,729
Finance costs:				
Interest expense (*2)	₩ 334,510	₩ 887,699	₩ 229,331	₩ 626,461
Exchange differences	(361,067)	574,982	28,383	231,049
Loss (gain) on derivative instruments	804,344	804,559	(352,795)	296,032
Loss on valuation of financial assets at FVPL	-	83,732	3,205	3,205
Loss on disposal of financial assets at FVPL	-	3,272	-	-
	₩ 777,787	₩ 2,354,244	₩ (91,876)	₩ 1,156,747

(*1) Details of interest income for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Cash and cash equivalents and others	₩ 41,410	₩ 125,925	₩ 44,853	₩ 124,032
Financial assets at FVPL	821	2,836	3,735	20,557
Other loans and receivables	37,352	67,011	6,896	26,429
	₩ 79,583	₩ 195,772	₩ 55,484	₩ 171,018

(*2) Details of interest expense for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Interest on financial institutions	₩ 123,683	₩ 377,337	₩ 121,047	₩ 288,584
Interest on financial lease liabilities	46,698	72,855	3,813	11,687
Interest on debentures	153,386	434,646	123,008	332,075
Other interest expenses	65,952	175,499	3,500	58,501
Capitalized interest for qualifying assets	(55,209)	(172,638)	(22,037)	(64,386)
	₩ 334,510	₩ 887,699	₩ 229,331	₩ 626,461

25. OTHER NON-OPERATING INCOME AND EXPENSES:

Details of other non-operating income and expenses for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Other non-operating income				
Exchange differences	₩ 105,100	₩ 482,657	₩ 17,686	₩ 369,592
Others (*1)	248,356	462,974	7,634	28,752
	₩ 353,456	₩ 945,631	₩ 25,320	₩ 398,344
Other non-operating expenses				
Exchange differences	₩ 286,318	₩ 565,285	₩ (37,989)	₩ 471,090
Loss on disposal of property, plant and equipment (*2)	237,008	295,036	24,767	46,883
Impairment of property, plant and equipment	13,641	122,117	5,413	9,425
Loss on disposal of intangible assets	577	683	148	3,654
Impairment of intangible assets	-	6	85	161
Impairment loss on assets held for sale (*3)	-	482,093	-	-
Donations	158	1,206	235	527
Others (*2)	53,345	197,258	19,576	32,503
	₩ 591,047	₩ 1,663,684	₩ 12,235	₩ 564,243

(*1) Others for the current interim period include income of KRW 409,184 million related to the retirement and sunk costs of property, plant and equipment.

(*2) Loss on disposal of property, plant and equipment and others for the current interim period include one-time expenses of KRW 255,733 million related to the retirement of property, plant and equipment and costs of KRW 177,131 million related to the sunk costs of property, plant and equipment, respectively.

(*3) Impairment losses on assets held for sale for the current interim period include KRW 482,093 million recognized in connection with the agreement with Honda Development and Manufacturing of America, LLC.

26. INCOME TAX EXPENSE:

Income tax expense was recognized based on the best estimate of the weighted-average annual income tax rate for the entire fiscal year.

The Group is subject to Pillar Two income taxes. During the current interim period, PT. HLI Green Power, a subsidiary located in Indonesia, recognized Pillar Two income tax expense of KRW 441 million. The Group has applied the exception to the recognition and disclosure of deferred tax.

	2026	2025
PT. HLI Green Power	₩ 441	₩ -

27. EARNINGS (LOSS) PER SHARE:

Basic earnings (loss) per share are calculated by dividing the earnings (loss) attributable to ordinary shares of the Parent Company by weighted-average number of shares outstanding.

Basic earnings (loss) per ordinary share for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows.
(Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Earnings (loss) attributable to ordinary shares of the Parent Company	₩ (481,531)	₩ (1,534,966)	₩ 247,180	₩ (196,006)
Weighted-average number of ordinary shares outstanding	234,000,000	234,000,000	234,000,000	234,000,000
Basic earnings (loss) per ordinary share (in Korean won)	₩ (2,058)	₩ (6,560)	₩ 1,056	₩ (838)

The Group has not issued any potential ordinary shares. Therefore, basic earnings (loss) per share are identical to diluted earnings (loss) per share.

28. DIVIDENDS:

During the nine-month period ended September 30, 2026, foreign subsidiaries of the Group paid dividends of KRW 193,170 million.

29. RELATED-PARTY TRANSACTIONS:

(1) As of September 30, 2026, the Parent Company is LG Chem Ltd. (percentage of ownership: 79.38%), over which LG Corp. exercises a significant influence.

(2) Details of related parties and others that have sales and other transactions with the Group or have receivable and payable balances, other than associates and joint ventures (see Note 10) as of September 30, 2026, are as follows:

Related party	Related party's subsidiary (Domestic)	Related party's subsidiary (Overseas)	Details
LG Chem Ltd.	HAENGBOKNURI CO., LTD. and others	LEYOU NEW ENERGY MATERIALS (WUXI) Co., Ltd. and others	Subsidiary of LG Chem Ltd.
D&O Co., Ltd.	D&O CM, Ltd. and others	D&O CM NANJING and others	Subsidiary of LG Corp.
LG CNS Co., Ltd.	Biz Tech I Co., Ltd. and others	LG CNS America Inc. and others	
LG Management Development Institute			
LG Sports Ltd.			
LG Display Co., Ltd.	Nanumnuri Co., Ltd.	LG Display America, Inc. and others	LG Enterprise Group (*)
LG Electronics Inc.	LG Innotek Co., Ltd. and others	LG Electronics Philippines, Inc. and others	
LG Household & Health Care Ltd.	Coca-Cola Beverage Co. and others	LG Household & Health Care Trading (Shanghai) Co., Ltd. and others	
LG Uplus Corp.	LG HelloVision Corp. and others	LG UPLUS FUND I LLC and others	
HS AD Inc.		GIIR America Inc. and others	

(*) Although these entities are not included within the scope of related parties under K-IFRS 1024, they belong to a large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

(3) Transactions with related parties for the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026					
		Purchase and others				
	Sales and others	Purchase of raw materials /merchandises	Acquisition of property, plant and equipment and intangibles	Acquisition of right-of-use asset	Interest expense	Others
Parent:						
LG Chem Ltd.	₩ 1,846	₩ 303,205	₩ -	₩ 864	₩ 16	₩ 41,581
Associates:						
Sama Aluminium Co., Ltd.	-	19,594	49	-	-	1
Nexpo Co., Ltd.	-	546	-	-	-	-
Jeju Bukchon BESS Power Plant Co., Ltd.	794	-	-	-	-	-
PT LBM Energi Baru Indonesia	-	205,773	-	-	-	122
Other related parties:						
LG Corp.	-	-	-	-	-	40,627
LG Chem (China) Investment Co., Ltd.	-	-	-	-	-	87
HAENGBOKNURI CO., LTD.	2	-	-	-	-	573
Uniseal, Inc.	-	5,413	-	-	-	-
LEYOU NEW ENERGY MATERIALS (WUXI) Co., Ltd.	-	112,763	-	-	-	-
LG HY BCM Co., Ltd.	-	115,606	-	-	-	(23)
TECHWIN Co., Ltd.	-	-	34,599	-	-	11
LG Chem Poland Sp. z o.o.	-	64,516	-	-	-	-
LG Chem America Advanced Materials, Inc.	-	555	-	-	-	-
LG Management Development Institute	-	-	-	-	-	19,027
D&O Co., Ltd. and its subsidiaries	61	7,695	16,303	-	-	5,165
LG CNS Co., Ltd. and its subsidiaries	35,305	508	366,768	-	-	261,857
Others	-	-	-	-	-	1,432
Others:						
LG Display Co., Ltd. and its subsidiaries	-	-	-	-	-	84
LG Electronics Inc. and its subsidiaries	63,946	83,321	294,471	16,034	240	69,655
Others	21	2,133	390	-	35	2,043
	₩ 101,975	₩ 921,628	₩ 712,580	₩ 16,898	₩ 291	₩ 442,242

	2025					
		Purchase and others				
	Sales and others	Purchase of raw materials /merchandises	Acquisition of property, plant and equipment and intangibles	Acquisition of right-of-use asset	Interest expense	Others
Parent:						
LG Chem Ltd.	₩ 4,379	₩ 646,434	₩ -	₩ -	₩ 5	₩ 1,856
Associates and joint ventures:						
Sama Aluminium Co., Ltd.	-	23,778	192	-	-	26
Mintech Co., Ltd.	-	-	292	-	-	-
Nexpo Co., Ltd.	-	29	-	-	-	-
PT LBM Energi Baru Indonesia	4,875	45,000	-	-	-	-
Other related parties:						
LG Corp.	-	-	-	-	-	27,293
LG Chem (China) Investment Co., Ltd.	-	-	-	-	-	94
HAENGBOKNURI CO., LTD.	4	-	-	-	-	328
Uniseal, Inc.	-	-	-	-	-	11
LEYOU NEW ENERGY MATERIALS (WUXI) Co., Ltd.	-	282,182	-	-	-	-
LG HY BCM Co., Ltd.	-	403,491	-	-	-	125
TECHWIN Co., Ltd.	-	-	69,362	-	-	58
LG Chem Poland Sp. z o.o.	-	69,814	-	-	-	-
LG Management Development Institute	-	-	-	-	-	19,273
D&O Co., Ltd. and its subsidiaries	66	-	17,700	-	-	3,165
LG CNS Co., Ltd. and its subsidiaries	25,616	633	511,413	-	-	171,294
Others	-	-	-	-	-	1,389
Others:						
LG Display Co., Ltd. and its subsidiaries	-	-	-	-	1	-
LG Electronics Inc. and its subsidiaries	132,494	165,180	495,545	-	95	163,996
Others	21	118	118	-	15	3,185
	₩ 167,455	₩ 1,636,659	₩ 1,094,622	₩ -	₩ 116	₩ 392,093

(4) Balances of receivables and payables from related parties as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026						
	Receivables			Payables			
	Trade receivables	Other receivables	Total	Trade payables	Lease liabilities	Other payables	Total
Parent:							
LG Chem Ltd.	₩ -	₩ 6,569	₩ 6,569	₩ 130,195	₩ 512	₩ 864	₩ 131,571
Associates:							
Sama Aluminium Co., Ltd.	-	-	-	17,719	-	382	18,101
Nexpo Co., Ltd.	-	-	-	6,062	-	-	6,062
PT LBM Energi Baru Indonesia	-	-	-	16,797	-	-	16,797
Other related parties:							
LG Corp.	-	-	-	-	-	12,813	12,813
LG Chem (China) Investment Co., Ltd.	-	-	-	-	-	18	18
HAENGBOKNURI CO., LTD.	-	-	-	-	-	102	102
Uniseal, Inc.	-	-	-	2,861	-	166	3,027
LEYOU NEW ENERGY MATERIALS (WUXI) Co., Ltd.	-	1	1	47,429	-	-	47,429
LG HY BCM Co., Ltd.	-	-	-	58,258	-	1,004	59,262
TECHWIN Co., Ltd.	-	-	-	-	-	23,098	23,098
LG Chem Poland Sp. z o.o.	-	-	-	42,460	-	106	42,566
LG Chem America Advanced Materials, Inc	-	-	-	-	-	555	555
LG Management Development Institute	-	-	-	-	-	684	684
D&O Co., Ltd. and its subsidiaries	-	152	152	-	-	5,611	5,611
LG CNS Co., Ltd. and its subsidiaries	4,700	-	4,700	6,142	-	237,309	243,451
Others	-	-	-	-	-	204	204
Others:							
LG Display Co., Ltd. and its subsidiaries	-	-	-	-	-	98	98
LG Electronics Inc. and its subsidiaries (*)	19,669	10,147	29,816	18,038	13,104	63,955	95,097
Others	-	821	821	-	1,222	3,036	4,258
	₩ 24,369	₩ 17,690	₩ 42,059	₩ 345,961	₩ 14,838	₩ 350,005	₩ 710,804

(*) Provisions for GM Bolt EV recall are not included in the balance of receivables and payables above.

	December 31, 2025						
	Receivables			Payables			
	Trade receivables	Other receivables	Total	Trade payables	Lease liabilities	Other payables	Total
Parent:							
LG Chem Ltd.	₩ 895	₩ 6,225	₩ 7,120	₩ 73,373	₩ -	₩ 4,656	₩ 78,029
Associates and joint ventures:							
Sama Aluminium Co., Ltd.	-	-	-	1,168	-	170	1,338
Nexpo Co., Ltd.	-	-	-	12	-	-	12
Jeju Bukchon BESS Power Plant Co., Ltd.	-	-	-	-	-	240	240
PT LBM Energi Baru Indonesia	-	34,835	34,835	31,229	-	-	31,229
Other related parties:							
LG Corp.	-	2,904	2,904	-	-	-	-
LG Chem (China) Investment Co., Ltd.	-	-	-	-	-	27	27
HAENGBOKNURI CO., LTD.	-	-	-	-	-	104	104
Uniseal, Inc.	-	-	-	108	-	-	108
LEYOU NEW ENERGY MATERIALS(WUXI) Co., Ltd.	-	-	-	3,246	-	-	3,246
LG HY BCM Co., Ltd.	-	-	-	1,600	-	1,708	3,308
TECHWIN Co., Ltd.	-	-	-	-	-	20,566	20,566
LG Chem Poland Sp. z o.o.	-	-	-	6,010	-	-	6,010
LG Management Development Institute	-	-	-	-	-	656	656
D&O Co., Ltd. and its subsidiaries	-	-	-	-	-	3,979	3,979
LG CNS Co., Ltd. and its subsidiaries	19,817	-	19,817	24	-	367,023	367,047
Others	-	-	-	-	-	89	89
Others:							
LG Display Co., Ltd. and its subsidiaries	-	-	-	-	-	21	21
LG Electronics Inc. and its subsidiaries (*)	31,391	9,023	40,414	24,769	4,334	135,090	164,193
Others	-	815	815	-	1,955	3,653	5,608
	₩ 52,103	₩ 53,802	₩ 105,905	₩ 141,539	₩ 6,289	₩ 537,982	₩ 685,810

(*) Provisions for the GM Bolt EV recall are not included in the balance of receivables and payables above.

(5) Fund transactions with related parties for the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026						
	Dividends received	Dividends paid	Equity contribution in cash and others	Loan transactions		Borrowing transactions (*)	
				Loan	Repayment	Borrowing	Repayment
Parent:							
LG Chem Ltd.	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 864	₩ 364
Associates:							
Sama Aluminium Co., Ltd.	38	-	-	-	-	-	-
Bricks Capital Management Global Battery Private Equity Fund I	-	-	507	-	-	-	-
Others:							
LG Electronics Inc.	-	-	-	-	-	16,035	7,588
LG Household & Health Care	-	-	-	-	-	-	698
	₩ 38	₩ -	₩ 507	₩ -	₩ -	₩ 16,899	₩ 8,650

(*) The amounts represent lease liabilities that were recognized or repaid during the nine-month period ended September 30, 2026.

	2025						
	Dividends received	Dividends paid	Equity contribution in cash and others	Loan transactions		Borrowing transactions (*)	
				Loan	Repayment	Borrowing	Repayment
Parent:							
LG Chem Ltd.	₩ -	₩ -	₩ -	₩ -	₩ -	₩ -	₩ 367
Associates and joint ventures:							
Sama Aluminium Co., Ltd.	38	-	-	-	-	-	-
Nexpo Co., Ltd.	-	-	2,375	-	-	-	-
Bricks Capital Management Global Battery Private Equity Fund I	-	-	445	-	-	-	-
Jeju Bukchon BESS Power Plant Co., Ltd.	-	-	900	-	-	-	-
PT LBM Energi Baru Indonesia	-	-	22,107	-	-	-	-
Others:							
LG DISPLAY AMERICA, INC.	-	-	-	-	-	-	60
LG Electronics Inc.	-	-	-	-	-	10,226	3,373
LG Household & Health Care	-	-	-	-	-	2,308	516
	₩ 38	₩ -	₩ 25,827	₩ -	₩ -	₩ 12,534	₩ 4,316

(*) The amounts represent lease liabilities that were recognized or repaid during the nine-month period ended September 30, 2025.

(6) Compensation for key management of the Group for the nine-month periods ended September 30, 2026 and 2025, is as follows (Korean won in millions):

	2026		2025	
Short-term employee benefits	₩	58,345	₩	61,151
Retirement benefits		5,051		4,669
	₩	63,396	₩	65,820

Key management includes directors (including non-executive) having duties and responsibilities over planning, operations and controlling of the Group's business activities.

(7) The payment guarantees provided by the Group for the related parties as of September 30, 2026, are disclosed in Note 18.

30. INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS:

(1) Details of cash generated from operations for the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026	2025
Profit (loss) for the period	₩ (1,569,584)	₩ 853,274
Adjustments for:		
- Income tax expense	351,979	36,961
- Depreciation	3,276,758	2,452,371
- Amortization	246,175	204,084
- Retirement benefits	60,769	64,254
- Financial income	(1,108,718)	(624,013)
- Financial costs	2,426,749	1,225,576
- Loss on valuations of inventories (reversal)	(56,199)	(23,413)
- Loss on disposal of property, plant and equipment	295,036	46,883
- Loss on disposal of intangible assets	683	3,654
- Impairment losses on property, plant and equipment	122,117	9,425
- Impairment losses on intangible assets	6	161
- Impairment losses on assets held for sale	482,093	0
- Changes in contract assets (liabilities)	(99,481)	18,619
- Contribution to provisions	933,491	459,200
- Other income and expenses	8,996	22,892
- Changes in inventories	(2,596,304)	(271,636)
- Changes in trade receivables	(3,700,075)	215,696
- Changes in other receivables	(1,416,334)	(87,401)
- Changes in other assets	(803,120)	(309,319)
- Changes in trade payables	2,172,577	(342,834)
- Changes in other payables	1,078,850	375,677
- Changes in other liabilities	694,511	(486,683)
- Changes in provisions	(414,507)	(324,296)
- Changes in net defined benefit liabilities	(9,459)	(5,690)
- Other cash flows from operations	12,771	(13,794)
Cash generated from operations	₩ 389,780	₩ 3,499,648

(2) Changes in liabilities from financing activities for the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026						
	Beginning	Cash flows from financing activities	Reclassification of current portion	Amortization	Lease liabilities	Exchange differences and others	Ending
Short-term borrowings	₩ 5,363,976	₩ (1,257,709)	₩ 1,546,958	₩ -	₩ -	₩ (1,017,153)	₩ 4,636,072
Long-term borrowings	5,047,606	1,442,150	(1,546,958)	-	2,489,643	141,776	7,574,217
Debentures	12,100,514	1,892,337	-	16,395	-	(654,507)	13,354,739
	₩ 22,512,096	₩ 2,076,778	₩ -	₩ 16,395	₩ 2,489,643	₩ (1,529,884)	₩ 25,565,028

	2025						
	Beginning	Cash flows from financing activities	Reclassification of current portion	Amortization	Lease liabilities	Exchange differences and others	Ending
Short-term borrowings	₩ 2,365,329	₩ 615,368	₩ 2,558,213	₩ -	₩ -	₩ 113,334	₩ 5,652,244
Long-term borrowings	5,124,782	2,317,940	(2,558,213)	-	132,140	142,094	5,158,743
Debentures	7,900,440	4,377,777	-	12,146	-	(372,887)	11,917,476
	₩ 15,390,551	₩ 7,311,085	₩ -	₩ 12,146	₩ 132,140	₩ (117,459)	₩ 22,728,463

(3) Significant non-cash transactions for the nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026	2025
Reclassification of construction in progress	₩ 5,962,970	₩ 7,208,308
Reclassification of machinery in transit	48,269	19,077
Reclassification of debentures into current portion	925,700	1,183,614
Changes in other payables related to acquisition of property, plant and equipment and intangible assets	(1,115,327)	(1,435,756)
Changes in non-trade receivables related to disposal of property, plant and equipment and intangible assets	(146)	(9,470)
Changes in other non-current financial liabilities related to acquisitions of property, plant and equipment	530,416	1,063,796
Changes in other payables related to capital reduction	-	1,323,778
Refinancing involving modification of terms of short-term borrowings	300,000	-

31. SEGMENT INFORMATION:

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

Segment	Major products and services
LG Energy Solution (*)	Automotive batteries, mobile batteries, ESS batteries and others

(*) The Group has determined the reporting segment as a single reporting segment based on the performance evaluation unit reported to the board of directors, who are the chief operating decision makers.

(2) Segment information on revenue and profit for the three-month and nine-month periods ended September 30, 2026 and 2025, is as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Total segment revenue	₩ 9,643,433	₩ 23,758,649	₩ 6,065,369	₩ 18,844,249
Revenue from external customers (*1)	8,936,868	22,313,529	5,699,873	17,530,276
Government grants (*2)	706,565	1,445,120	365,496	1,313,973
Operating profit of reportable segment (*3)	756,005	661,552	601,309	1,468,141

(*1) Revenue from external customers consists mostly of sales of goods. Interest income and dividend income are included in finance income.
(*2) Under the Advanced Manufacturing Production Tax Credit of the U.S. Inflation Reduction Act, effective January 1, 2023, a tax credit can be received for battery cells/modules produced and sold in the U.S., and the amount is revenue expected to be received by the Group for the nine-month period ended September 30, 2026.
(*3) Management assesses the performance of the operating segments based on a measurement of the operating profit of each segment.

(3) Segment information on assets and liabilities as of September 30, 2026, and December 31, 2025, is as follows (Korean won in millions):

	September 30, 2026			December 31, 2025		
	Assets (*)	Investments in associates	Liabilities	Assets (*)	Investments in associates	Liabilities
Reportable segment assets and liabilities	₩ 70,313,945	₩ 78,055	₩ 44,345,769	₩ 67,147,953	₩ 77,719	₩ 37,826,277

(*) The amount of reportable segment assets includes the carrying amount of investments in associates.

(4) Revenue and other incomes for the three-month and nine-month periods ended September 30, 2026 and 2025, and non-current assets as of September 30, 2026, and December 31, 2025, by geographical segments, are as follows (Korean won in millions):

	Revenue and other incomes				Non-current assets (*1)	
	2026		2025			
	Three months	Nine months	Three months	Nine months	September 30, 2026	December 31, 2025
Korea (*2)	₩ 730,159	₩ 1,986,756	₩ 720,645	₩ 2,063,043	₩ 6,310,128	₩ 6,139,933
China	1,554,728	4,897,966	1,210,844	3,504,894	2,790,527	3,374,660
Asia/Oceania	274,899	883,905	246,341	758,592	924,350	1,085,558
America	5,511,644	11,875,647	3,123,446	8,564,963	28,957,419	27,226,687
Europe	1,572,003	4,114,375	764,093	3,952,757	3,719,378	4,771,389
	₩ 9,643,433	₩ 23,758,649	₩ 6,065,369	₩ 18,844,249	₩ 42,701,802	₩ 42,598,227

(*1) Represents the aggregate amount of property, plant and equipment; intangible assets; and investment properties.
(*2) Domestic revenues include exports made through local letters of credit.

(5) For the nine-month periods ended September 30, 2026 and 2025, revenues from external customers who account for 10% or more of the Group's revenue are as follows (Korean won in millions):

	2026	2025
Customer A	₩ 4,662,788	₩ 3,254,622
Customer B	3,344,922	336,236

32. ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS:

(1) Assets and liabilities related to contracts with customers as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Contract assets:		
Due from customers	₩ 188,626	₩ 73,296
	₩ 188,626	₩ 73,296
Contract liabilities:		
Advances from customers received as part of the Group`s main business activities	₩ 2,411,260	₩ 2,033,299
Expected customer incentives	6,553	9
Unearned revenue	17,088	10,318
Due to customers	51,243	31,688
	₩ 2,486,144	₩ 2,075,314

(2) Revenue recognized in relation to contract liabilities

Revenues recognized from the carryforward contract liabilities for the three-month and nine-month periods ended September 30, 2026 and 2025, are as follows (Korean won in millions):

	2026		2025	
	Three months	Nine months	Three months	Nine months
Revenue recognized in the current period from the beginning contract liabilities:				
Revenues in relation to advances from customers received as part of the Group's main business activities	₩ 27,611	₩ 159,320	₩ 7,557	₩ 49,568
Unearned revenue	276	5,593	3,387	11,056
Due to customers	215	8,830	157	2,646
	₩ 28,102	₩ 173,743	₩ 11,101	₩ 63,270

(3) For the nine-month period ended September 30, 2026, changes in estimates related to the total contract price and total contract costs for contracts that existed as of December 31, 2025, and that recognize revenue over time using the cost-to-cost method, along with their impact on profit or loss for the current and future periods and on contract assets (liabilities), are as follows (Korean won in millions):

Changes in estimated total contract price	Changes in estimated total contract costs	Impact on current-period profit or loss	Impact on future-period profit or loss	Changes in contract assets (liabilities)
₩ 11,221	(5,972)	9,366	7,827	9,366

(4) Costs to fulfill contracts as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Costs to fulfill contracts	₩ 497,139	₩ 930,671

Costs to fulfill contracts represent preparation costs related to contracts with customers and are recognized as cost of sales when the Group satisfies its performance obligations. The costs to fulfill contracts recognized as cost of sales during the nine-month period ended September 30, 2026, amounted to KRW 733,603 million (for the nine-month period ended September 30, 2025, was KRW 48,841 million).

33. INVESTMENT PROPERTIES:

(1) Details of investment properties as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026				December 31, 2025			
	Acquisition cost	Accumulated depreciation	Accumulated impairment	Book value	Acquisition cost	Accumulated depreciation	Accumulated impairment	Book value
Buildings	₩ 286,627	₩ (85,983)	₩ (1,436)	₩ 199,208	₩ 296,958	₩ (83,868)	₩ (1,460)	₩ 211,630
Land	274	(20)	(34)	220	283	(17)	(34)	232
	₩ 286,901	₩ (86,003)	₩ (1,470)	₩ 199,428	₩ 297,241	₩ (83,885)	₩ (1,494)	₩ 211,862

(2) Changes in investment properties for the nine-month period ended September 30, 2026, and the year ended December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026		December 31, 2025	
	Land	Building	Land	Building
Beginning	₩ 232	₩ 211,630	₩ 227	₩ 225,707
Acquisition/Transfer	27	42	9	163
Disposal/Transfer	(36)	(8,107)	-	(8,303)
Depreciation	(3)	(4,357)	(4)	(5,937)
Ending	₩ 220	₩ 199,208	₩ 232	₩ 211,630

(3) The fair value of investment properties is measured 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 value hierarchy. The fair value of investment properties as of September 30, 2026, is KRW 215,964 million (as of December 31, 2025, was KRW 221,730 million).

Rental income from investment properties under operating lease for the nine-month period ended September 30, 2026, is KRW 9,122 million, and operating expenses incurred for investment properties that generated rental income (including maintenance and repair expenses) for the nine-month period ended September 30, 2026, are KRW 4,361 million.

(4) 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 of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Less than one year	₩ 8,776	₩ 2,280
Between one year and two years	44	172
	₩ 8,820	₩ 2,452

34. ASSETS HELD FOR SALE:

As of December 31, 2025, the Group decided to sell all of the plant building assets under construction of its subsidiary, L-H Battery Company, Inc. to Honda Development and Manufacturing of America, LLC and classified the related assets as assets held for sale (see Note 11.(1) Changes in property, plant and equipment). During the current interim period, the Group entered into a sale-and-leaseback arrangement under which the assets will be leased back after the sale.

Details of assets classified as assets held for sale as of September 30, 2026, and December 31, 2025, are as follows (Korean won in millions):

	September 30, 2026	December 31, 2025
Buildings	₩ -	₩ 3,911,334