UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2025

LG Display Co., Ltd.
(Translation of Registrant's name into English)

LG Twin Towers, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 07336, Republic of Korea
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

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ANNUAL REPORT

(From January 1, 2024 to December 31, 2024)

THIS IS A TRANSLATION OF THE ANNUAL REPORT ORIGINALLY PREPARED IN KOREAN AND IS IN SUCH FORM AS REQUIRED BY THE KOREAN FINANCIAL SUPERVISORY COMMISSION.

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED AND CERTAIN NUMBERS WERE ROUNDED FOR THE CONVENIENCE OF READERS. REFERENCES TO “Q1”, “Q2”, “Q3” AND “Q4” OF A FISCAL YEAR ARE REFERENCES TO THE THREE-MONTH PERIODS ENDED MARCH 31, JUNE 30, SEPTEMBER 30 AND DECEMBER 31, RESPECTIVELY, OF SUCH FISCAL YEAR. REFERENCES TO “₩” ARE REFERENCES TO THE KOREAN WON.

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1. Company

A. Name and contact information

The name of our company is "EL-GI DISPLAY CHUSIK HOESA," which shall be "LG Display Co., Ltd." in English.

Our principal executive office is located at LG Twin Towers, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 07336, Republic of Korea, and our telephone number is +82-2-3777-1010. Our website address is http://www.lgdisplay.com.

B. Credit rating

(1) Corporate bonds (Domestic)

Subject instrument	Month of rating	Credit rating (1)	Rating agency (Rating range)
Corporate bonds	February 2022	A+	NICE Information Service Co., Ltd. (AAA ~ D)
	June 2022		
	March 2023		
	May 2023	A	
	June 2024		
	February 2022	A+	Korea Investors Service, Inc. (AAA ~ D)
	June 2022		
	August 2022		
	January 2023	A	
	May 2023		
	June 2024		
	June 2022	A+	Korea Ratings Corporation (AAA ~ D)
	March 2023		
	May 2023	A	
	June 2024		

(1) Domestic corporate bond credit ratings are generally defined to indicate the following:

Subject instrument	Credit rating	Definition
Corporate bonds	AAA	Strongest capacity for timely repayment.
	AA+/AA/AA-	Very strong capacity for timely repayment. This capacity may, nevertheless, be slightly inferior than is the case for the highest rating category
	A+/A/A-	Strong capacity for timely repayment. This capacity may, nevertheless, be more vulnerable to adverse changes in circumstances or in economic conditions than is the case for higher rating categories.
	BBB+/BBB/BBB-	Capacity for timely repayment is adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
	BB+/BB/BB-	Capacity for timely repayment is currently adequate, but that there are some speculative characteristics that make the repayment uncertain over time.
	B+/B/B-	Lack of adequate capacity for repayment and speculative characteristics. Interest payment in time of unfavorable economic conditions is uncertain.
	CCC	Lack of capacity for even current repayment and high risk of default.
	CC	Greater uncertainties than higher ratings.
	C	High credit risk and lack of capacity for timely repayment.
	D	Insolvency.

(2) Commercial paper

All previously issued commercial papers have been redeemed, and there is no remaining balance as of the end of December 31, 2024.

C. Capitalization

(1) Change in capital stock (as of December 31, 2024)

(Unit: Won, Shares)

Date of Issuance	Method of Issuance	Type	Details of the Shares Issued			Remarks
			Number of Shares	Par value per Share	Offering price per Share	
March 15, 2024	Paid-in capital increase (share rights offering to existing shareholders)	Common shares	142,184,300	₩5,000	₩9,090	Ratio of paid-in capital increase: 39.74%

(2) Convertible bonds (as of December 31, 2024)

We have no outstanding convertible bonds as of December 31, 2024.

D. Voting rights (as of December 31, 2024)

(Unit: share)

Description		Number of shares
A. Total number of shares issued[(1)(2)]:	Common shares[(1)]	500,000,000
	Preferred shares	—
B. Shares without voting rights:	Common shares	—
	Preferred shares	—
C. Shares subject to restrictions on voting rights pursuant to our articles of incorporation:	Common shares	—
	Preferred shares	—
D. Shares subject to restrictions on voting rights pursuant to regulations:	Common shares	—
	Preferred shares	—
E. Shares with restored voting rights:	Common shares	—
	Preferred shares	—
Total number of issued shares with voting rights (=A – B – C – D + E):	Common shares	500,000,000
	Preferred shares	—

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(1) Authorized: 500,000,000 shares
(2) An amendment to the Articles of Incorporation to increase the number of authorized shares has been submitted for approval at the upcoming 40th annual general meeting of shareholders, scheduled to be held on March 20, 2025.

E. Dividends

Dividends for the three most recent fiscal years

Description (unit)		2024	2023	2022
Par value (Won)		5,000	5,000	5,000
Profit (loss) for the year (million Won)(1)		(2,562,606)	(2,733,742)	(3,071,565)
Earnings (loss) per share (Won)(2)(3)		(5,438)	(7,177)	(8,064)
Total cash dividend amount for the period (million Won)		—	—	—
Total stock dividend amount for the period (million Won)		—	—	—
Cash dividend payout ratio (%)(4)		—	—	—
Cash dividend yield (%)(5)	Common shares	—	—	—
	Preferred shares	—	—	—
Stock dividend yield (%)	Common shares	—	—	—
	Preferred shares	—	—	—
Cash dividend per share (Won)	Common shares	—	—	—
	Preferred shares	—	—	—
Stock dividend per share (share)	Common shares	—	—	—
	Preferred shares	—	—	—

(1) Based on profit for the year attributable to the owners of the controlling company.
(2) Earnings per share is based on par value of ₩5,000 per share and is calculated by dividing net income by weighted average number of common shares.
(3) The number of outstanding common shares has increased due to our paid-in capital increase in the first quarter of 2024. The basic earnings (loss) per share and diluted earnings (loss) per share for the years ended December 31, 2023 and December 31, 2022 have been adjusted in consideration of the bonus element in a rights issue to our existing shareholders during the first quarter of 2024.

Historical dividend information

Number of consecutive years of dividends(1)		Average Dividend Yield(1)	
Interim dividends	Annual dividends	Last 3 years	Last 5 years
—	—	0.94	0.56

(1) The average dividend yield is calculated using the simple arithmetic average method, including the fiscal years in which no dividend was paid (dividends were paid with respect to fiscal year 2021 only based on the dividend resolution date).
(2) The dividend for the fiscal year 2024 is scheduled to be approved at the 40th annual general meeting of shareholders on March 20, 2025. Since past dividend records are based on confirmed dividend payments, the dividend history for the current fiscal year has not been included.

F. Matters relating to Articles of Incorporation

Our current articles of incorporation were amended as of March 22, 2024 at the 39th annual general meeting of shareholders, and certain amendments as summarized below have been submitted for approval at the upcoming 40th annual general meeting of shareholders. Consequently, our articles of incorporation may be subject to change based on the results of such upcoming annual general meeting of shareholders.

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Proposed Changes to the Articles of Incorporation

Articles to be Amended at the 40th Annual General Meeting of Shareholders	Description of Amendments
(1) Revision of Article 6 (Total Number of Authorized Shares) (2) Revision of Paragraph 1 of Article 9-2 (Number and Characteristics of Preferred Shares) (3) Revision of Paragraph 3 of Article 10 (Preemptive Rights) (4) Deletion of Paragraph 5 of Article 30 (Meetings of the Board of Directors) (5) Revision of Paragraphs 1, 2 and 3 of Article 43-2 (Interim Dividends) (6) Insertion of new Addenda	(1) The number of authorized shares is to be increased to better accommodate the evolving business environment (Article 6). (2) The number of preferred shares shall be determined in proportion to the total number of issued and outstanding shares to ensure consistency with applicable laws including the Commercial Act and the Capital Markets Act, and other relevant regulations (Article 9-2, Paragraph 1). (3) The issuance limit of new shares to persons other than existing shareholders of company is to be increased and the scope of application for the issuance limit of new shares is to be restricted to third-parties allocations only to enable a more flexible response to the evolving business environment (Article 10, Paragraph 3). (4) The provision stipulating that the meeting of the Board of Directors shall be held in Korea is to be deleted to allow for flexible arrangement of the meeting of The Board of Directors (Deletion of Article 30, Paragraph 5). (5) The record date for interim dividends may be designated subsequent to the determination of the dividend amount, and interim dividends may be distributed in forms other than cash including shares in accordance with the Commercial Act to enhance predictability for investors (Article 43-2). (6) The issuance limit of new shares to persons other than existing shareholders of company is to be calculated without deducting the number of shares previously issued and allocated to the Employee Stock Ownership Association (Article 2 of the Addenda). (7) The issuance limit of convertibles bonds and bond warrants is to be calculated without deducting the amount of convertible bonds and bond warrants previously issued (Article 3 of the Addenda).

(1) Recent Changes to Articles of Incorporation

Articles Amended at the 38th Annual General Meeting of Shareholders	Description of Amendments
(1) Revision of Paragraph 5 of Article 9-2 (Number and Characteristics of Preferred Shares) (2) Deletion of Paragraph 6 of Article 10-2 (Stock Options) and re-numbering of previous Paragraph 7 to Paragraph 6 (3) Revision of Article 11 (Record Date for Dividends on New Shares) (4) Revision of Paragraphs 1 and 2 of Article 12 (Suspension of Alteration of Register of Shareholders and Record Date) (5) Revision of Paragraph 5 of Article 15-2 (Issuance of Convertible Bonds) (6) Deletion of Paragraph 5 of Article 15-3 (Issuance of Bonds with Warrants) (7) Revision of Paragraph 2 of Article 36-2 (Composition of Audit Committee) and establishment of Paragraph 6 (8) Revision of Paragraph 3 of Article 43 (Dividends) (9) Deletion of Paragraph 4 of Article 43-2 (Interim Dividends) and re-numbering of previous Paragraph 6 to Paragraph 5	(1) To reflect an amendment to the Commercial Act, which removed the previous requirement that the record date for dividends on new shares must be set as the last day of the preceding fiscal year (Commercial Act Article 350, Paragraph 3) (Articles 9-2, 10-2, 11, 15-2, 15-3, 43-2) (2) To remove information regarding the closing of the shareholder registry (Article 12) pursuant to the implementation of the Act on Electronic Registration of Stocks, Bonds, Etc. (3) To adjust the minimum number of members of the Audit Committee in order to flexibly respond to situations where a prompt appointment of an Audit Committee member is necessary (Article 36-2, Paragraph 2). (4) To reflect the Ministry of Justice's authoritative interpretation that, in order for a company to apply the relevant amendment to the Commercial Act that relaxes the quorum requirement when appointing a member of the Audit Committee through electronic voting, the articles of incorporation needs to have been amended beforehand (newly added Article 36-2, Paragraph 6).

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(2) Business Purpose (as of December 31, 2024)

Our business purpose under our articles of incorporation did not change during the reporting period ended December 31, 2024, and our current business purpose includes the following:

(as of December 31, 2024)

No.	Business Purpose	Whether Currently Engaged in by the Company
1	Research, development, production, sales and marketing of display and related products utilizing, among others, thin-film transistor liquid crystal display (“TFT-LCD”), low-temperature polycrystalline silicone (“LTPS”)-LCD and organic light-emitting diode (“OLED”) technologies	Yes
2	Research, development, production, sales and marketing of products utilizing solar energy	No, see note (1)
3	Research, development, production, sales and marketing of parts and equipment necessary for the development and production of products and technologies listed in items 1 and 2 above	Yes
4	Sale and purchase and lease of real estate	Yes
5	Other ancillary or supplemental businesses and investments relating to each of the businesses described above	Yes

(1) Although the Company began to engage in research and development of products utilizing solar energy in 2007, due to the intense competition with Chinese companies in this sector and relative economic disadvantage of the Company’s technology, the Company decided to discontinue such business in 2010 and is currently not engaged in this business.

2. Business

A. Business overview

We were incorporated in February 1985 under the laws of the Republic of Korea. LG Electronics and LG Semicon transferred their respective LCD business to us in 1998, and since then, our business has been focused on the research, development, manufacture and sale of products that apply display technologies such as OLED and TFT-LCD. Sorting by major sales product category, television, IT products, mobile and other products, and “auto” products (comprising automotive display products) accounted for 22%, 35%, 34% and 9% of our total sales, respectively, in 2024. Our customers primarily consist of global set makers, and our top ten customers comprised 89% of our total sales revenue in 2024. As a company focused on exports, our overseas sales accounted for approximately 96% of our total sales in 2024. We have overseas sales subsidiaries located in the United States, Germany, Japan, Taiwan, China and Singapore.

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We operate key production facilities in Korea, China and Vietnam, and as of December 31, 2024, our cumulative annual production capacity in 2024 was approximately 6.6 million glass sheets, as converted into eighth-generation sheets (2200x2500mm). In order to expand our production capacity of differentiated and competitive products such as OLED panels, our total capital expenditures on a cash out basis was around ₩2.2 trillion in 2024. In 2025, we plan to maintain a similar level of capital expenditures as in 2024, at around the low-to-mid ₩2 trillion range.

The major raw materials for display panel production include glass, semiconductors, polarizers, organic matter, backlight units ("BLU") and printed circuit boards ("PCB"), and the prices of our raw materials may fluctuate as a result of supply and demand in the market as well as changes in our purchase quantity.

The display industry to which we belong is highly affected by the global economic conditions. Given the characteristics of the display business, which requires large-scale investments, display panel prices may fluctuate due to an imbalance between supply and demand, which may affect our profitability. The sales performance of industry players is differentiated by not only the production capacity of each company but also other competitive differences arising from factors including technology, cost structure, product development capability, manufacturing efficiency, quality control and customer relationships, along with the price differentiation incorporating such factors. In addition, given the high proportion of our sales overseas, our sales of display panels are denominated mainly in U.S. dollars whereas our purchases of raw materials are denominated mainly in U.S. dollars, Japanese Yen and Chinese Yuan. Accordingly, our profit margins may be affected by changes in the exchange rates between the currencies. We strive to minimize the risk relating to foreign currency denominated assets, liabilities and operating cash flow due to exchange rate fluctuations.

Our research and development expenses represent approximately 8% of our sales, and we are continually creating customer value through systematic R&D activities for new products and technologies. Leveraging our competitive R&D activities, we are leading the display market by providing differentiated values in display panel products utilizing our OLED and TFT-LCD technologies for various uses including television, IT, mobile products and automobiles.

Consolidated operating results highlights

(Unit: In billions of Won)

	2024	2023	2022
Sales Revenue	26,615	21,331	26,152
Gross Profit	2,575	345	1,124
Operating Profit (loss)	(561)	(2,510)	(2,085)
Total Assets	32,860	35,759	35,686
Total Liabilities	24,787	26,989	24,367

B. Industry

(1) Industry characteristics

- From the supply perspective, the display panel industry is technology- and capital-intensive in nature and requires mass production through achieving an economy of scale.
- From the demand perspective, the display panel industry tends to demonstrate a high level of volatility depending on the global macroeconomic conditions, major regional sales events and/or seasonal factors.
- Though the display panel industry is currently facing risks of decreased consumption of related goods in the business-to-consumer sector and reduced investor confidence in the business-to-business sector due to ongoing uncertainty in the global macroeconomic environment, there are continued opportunities in the display market to meet changes in consumer lifestyle and specific consumer needs in the mid- to long-term.

- In the market for television display panels, new opportunities from the growth of the ultra-large TV market are expected to arise with the increase of video content (including over-the-top services) and expanding uses of television (such as playing video games).
- In the market for traditional IT products such as notebook and desktop monitors, growth opportunities for new offerings such as gaming products, portable products and AI-integrated technology are expected to increase driven by lifestyle changes.
- The growth in the market for smartphone products continues to be concentrated around high value-added products using plastic OLED display panels that offer superior performance through diversification of form factors, low-power consumption and high resolution, in light of the increased use of smartphones for mobile contents and gaming purposes.
- In the market for automotive display panels, display panels are increasingly being used in light of the expanded adoption of in-vehicle infotainment systems, and the market is continuing to demonstrate qualitative growth as the demand for larger and higher-resolution display panels continue to increase.
- As the market for LCD panel-based products has reached a maturity stage, the growing adoption of OLED panels across various segments, driven by their differentiated advantages, is expected to create new opportunities.

(2) Growth Potential

The display panel industry is expected to continue to grow, as the essential role of display products as a key device for information and communication in daily lives of individuals as well as for industrial purposes becomes more pronounced. We are strengthening our business competitiveness based on customer value and developing new markets under our strategic plan to transition our business to center around OLED, which has a strong growth potential within the display panel industry. With respect to large-sized display panels, we are focusing on expanding the OLED market through differentiated products and technology, such as META technology, which offers high-resolution and high-luminance, as well as strengthening business with new customers. We are also leading the expansion into new product areas, such as transparent OLED display panels and gaming display panels. In the medium-sized display panel business, we are increasing the proportion of premium products such as high resolution and wide screen products based on IPS and Oxide technologies, and we are also increasing the use of OLED panels in IT products to improve power consumption and provide differentiated form factors. In the small-sized display panel business, we have secured high value-added and differentiated technology and stable operating capabilities for 6th generation plastic OLED smartphone displays while continuing to grow our automotive display panels business by providing differentiated solutions such as plastic OLED, advanced thin OLED and LTPS LCD panels for ultra-large vehicle displays optimized for software-defined vehicles. We are also in the process of proactively preparing the technology to respond to new market opportunities for ultra-small-sized displays, including those in relation to augmented reality and virtual reality uses.

(3) Cyclicality

- The display panel business is characterized by being highly cyclical and sensitive to fluctuations in the general economy. The industry may experience volatility caused by imbalances between supply and demand due to changes in capital expenditure levels and adjustments in production utilization rates within the industry.
- Macroeconomic factors and other causes of business cycles can affect demand for display panels. Accordingly, if supply exceeds demand, average selling prices of display panels may decrease. Conversely, if market demand outpaces supply, average selling prices may increase.

(4) Market conditions

- Most display panel manufacturers are located in Asia as set forth below. Competition in the TFT-LCD sector is intensifying amid increasing levels of investment led by Chinese panel manufacturers. In response, Korean panel manufacturers are continuing their efforts to maintain their market leadership and differentiate themselves by transitioning their business focus to OLED products and upgrading their TFT-LCD businesses.

  a. Korea: LG Display, Samsung Display, etc.

  b. Taiwan: AU Optronics, Innolux, etc.

  c. Japan: Japan Display, Sharp, etc.

  d. China: BOE, CSOT, HKC, etc.

- Our worldwide market share of large-sized display panels (i.e., panels that are 9 inches or larger) based on revenue is as follows:

	2024	2023	2022
Panels for Televisions(1)(2)	14.1%	12.5%	23.6%
Panels for IT Products(1)	19.1%	18.6%	18.8%
Total(1)	15.7%	14.6%	20.2%

(1) *Source: Large Area Display Market Tracker (OMDIA).* Data for 2024 are based on OMDIA's estimates, as actual results for 2024 Q4 have not yet been made available as of the date of this report.
(2) Includes panels for public displays.

(5) Competitiveness and competitive advantages

- Our ability to compete successfully depends on factors both within and outside our control, including the development of new and premium products through technological advances, timely investments that achieve profitability, maintaining flexible product portfolio and production facility operations responsive to market conditions, price of our products, competitive production costs, productivity enhancement, our relationship with customers, success in marketing to our end-brand customers, competitive environment and economic conditions within the industry, and foreign exchange rates.

- In order for us to compete effectively, it is critical to offer differentiated products that enable us to secure profit margins even during times of a mismatch in the market supply and demand, to be price- and cost-competitive and to maintain stable relationships with customers.

- A substantial portion of our sales is attributable to a limited number of end-brand customers and their designated system integrators. As such, it is important to build a sustained relationship with such customers.

- Developing new products and technologies that can be differentiated from those of our competitors is critical to the success of our business. It is important that we take active measures to protect our intellectual property internationally. It is also necessary to recruit and retain experienced key managerial personnel and skilled line operators.

- As a leading technology innovator in the display industry, we continue to focus on delivering differentiated value to our customers by developing various technologies and products, including display panels with WOLED/POLED, IPS, Oxide, in-TOUCH, Tandem and other technologies. With respect to OLED panels, following our supply of the world's first 55-inch OLED panels for televisions in 2013, we have continued to achieve ongoing technological innovation by continuing to enhance the performance of our products and to offer differentiated large-sized OLED products such as our large-sized gaming OLED products and those incorporating our META technology. Moreover, we have continually introduced and expanded our high value-added plastic OLED products for smartphones, smartwatches, automotive products and foldable notebook computers, along with our advanced thin OLED products for tablets, among others. With respect to TFT-LCD panels, we are leading the market with our competitive advantages in technology, including through our IPS, Oxide and LTPS technology-based ultra-large television panels, desktop and notebook monitors featuring high resolutions, differentiated designs and high frequency refresh rates, and specialized products for automotive, commercial and medical uses. Our production facilities are also equipped to produce products incorporating in-TOUCH technology.

- Moreover, we are maintaining and strengthening close long-term partnerships with major global firms to secure customers and expand relationships for technology development.

C. New businesses

For our continued growth, we are actively exploring and preparing for new business opportunities in response to the changing market environment. As such, we are continually reviewing and looking at opportunities in the display and promising new industries.

D. Customer-oriented marketing activities

Through engaging in detailed analysis and acquiring insight on the market and industry conditions, technology, products and end-user consumers, we seek to provide differentiated values that are customer- and consumer-friendly. In addition, we engage in activities that are geared to proactively identify and offer meaningful benefits to customers and consumers. As a result, we are continually developing products that provide differentiated values using our technologies. At the same time, we strive to create new markets and mutually benefit our business and our customers by obtaining customer trust and satisfaction through our customer- and consumer-oriented marketing activities.

3. Major Products and Raw Materials

A. Major products

We manufacture OLED and TFT-LCD panels, of which a significant majority is sold overseas.

(Unit: In billions of Won, except percentages)

Business area	Sales type	Items (By product)	Usage	Major trademark	2024 Sales Revenue	2024 Percentages (%)
Display	Goods/Products/Services/ Other sales	Televisions	Panels for televisions	LG Display	5,973	22.4%
		IT products	Panels for monitors, notebook computers and tablets	LG Display	9,420	35.4%
		Mobile, etc.	Panels for smartphones, smartwatches, etc.	LG Display	8,942	33.6%
		Auto products	Panels for automobiles	LG Display	2,281	8.6%
Total					26,616	100.0%

B. Average selling price trend of major products

The average selling prices of display panels are subject to change based on market conditions and demand by product category. The average selling price of display panels per square meter of net display area shipped in the fourth quarter of 2024 was USD 873, showing an increase from the previous quarter mainly due to an increase in production volume of smartphone display panels driven by expanded production capacity of such panels compared to the previous year. The average selling prices of display panels per square meter of net display area may continually fluctuate in the future due to changes in market conditions, demand trends and our product mix.

(Unit: US$ / m^2)

Period	Average Selling Price[(1)(2)] (in US$ / m^2)
2024 Q4	873
2024 Q3	825
2024 Q2	779
2024 Q1	782
2023 Q4	1,064
2023 Q3	804
2023 Q2	803
2023 Q1	850
2022 Q4	708
2022 Q3	675
2022 Q2	566
2022 Q1	660

(1) Quarterly average selling price per square meter of net display area shipped.
(2) Excludes semi-finished products in the cell process.

C. Major raw materials

Prices of major raw materials depend on fluctuations in supply and demand in the market as well as on changes in size and quantity of raw materials due to the increased production of large-sized panels.

(Unit: In billions of Won, except percentages)

Business area	Purchase type	Items	Usage	Cost[(1)]	Ratio (%)	Suppliers[(2)]
Display	Raw materials	PCB	Display panel manufacturing	1,215	10.6%	Youngpoong Electronics Co., Ltd., etc.
		Polarizers		1,845	16.0%	LG Chem, etc.
		BLU		1,137	9.9%	Heesung Electronics LTD., etc.
		Glass		574	5.0%	Paju Electric Glass Co., Ltd., etc.
		Drive IC		741	6.4%	LX Semicon, etc.
		Others		6,002	52.1%	—
Total				11,514	100.0%	

- Period: January 1, 2024 ~ December 31, 2024.

(1) Based on total cost for purchase of raw materials which includes manufacturing and development costs, etc.

(2) Among our major suppliers, Paju Electric Glass Co., Ltd. is our affiliate, LG Chem is a member company of the LG Group and LX Semicon is an affiliate of LX Holdings Corp.

- The market prices of main raw materials for display panels fluctuate depending on the global market conditions of raw materials and demand by product segment.
- The market price of polarizers, which is a main raw material for display panels, decreased by 5% as of December 31, 2024 compared to the end of the previous year.
- The market prices of PCB, drive IC and BLU, decreased by 4%, 5% and 4%, respectively, as of December 31, 2024, compared to the end of the previous year.
- Despite the continued global economic slowdown in 2024, our raw material costs have slightly improved compared to the previous year due to an improvement in the balance of market supply and demand in the raw materials market and our efforts to strengthen our raw material cost competitiveness. The prices of raw materials may continue to fluctuate in light of changes in the market conditions of such materials.

4. Production and Equipment

A. Production capacity and output

(1) Production capacity

The table below sets forth the production capacity of our Gumi, Paju and Guangzhou facilities in the periods indicated.

(Unit: 1,000 glass sheets)

Business area	Items	Location of facilities	2024(1)	2023(1)	2022(1)
Display	Display panel, etc.	Gumi, Paju, Guangzhou	6,573	5,223	8,794

(1) Calculated based on the maximum monthly input capacity (based on glass input substrate size for eighth-generation glass sheets) during the year multiplied by the number of months in a given period. The production capacity for facilities with adjusted utilization rates have been calculated based on the maximum input capacity during the period.

(2) Production output

The table below sets forth the production output of our Gumi, Paju and Guangzhou facilities in the periods indicated.

(Unit: 1,000 glass sheets)

Business area	Items	Location of facilities	2024(1)	2023(1)	2022(1)
Display	Display panel, etc.	Gumi, Paju, Guangzhou	5,656	4,256	6,390

(1) Based on the production results (input standard) of each plant converted into eighth-generation glass sheets.

B. Production performance and utilization ratio

(Unit: Hours, except percentages)

Production facilities	Available working hours in 2024	Actual working hours in 2024	Average utilization ratio
Gumi	8,784(1) (24 hours x 366 days)	8,784(1) (24 hours x 366 days)	100.0%
Paju	8,784(1) (24 hours x 366 days)	8,693(1) (24 hours x 362 days)	99.0%
Guangzhou	8,784(1) (24 hours x 366 days)	8,784(1) (24 hours x 366 days)	100.0%

(1) Number of days is calculated by averaging the number of working days for each facility.

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C. Investment plan

In 2024, our total capital expenditures on a cash out basis was around ₩2.2 trillion. In 2025, we plan to maintain a similar level of capital expenditures as in 2024, at around the low-to-mid ₩2 trillion range.

5. Sales

A. Sales performance

(Unit: In billions of Won)

Business area	Sales types	Items	(Market)	2024	2023	2022[2]
Display	Products	Display panel	Overseas[1]	25,495	20,634	25,651
			Korea[1]	960	620	668
			Total	26,455	21,254	26,319
	Royalty	LCD, OLED technology patent	Overseas[1]	61	16	12
			Korea[1]	0	0	0
			Total	61	16	12
	Others	Raw materials, components, etc.	Overseas[1]	52	46	24
			Korea[1]	47	14	10
			Total	99	60	34
	Total		Overseas[1]	25,608	20,696	25,687
			Korea[1]	1,007	634	678
			Total	26,615	21,330	26,365

(1) Based on ship-to-party.
(2) Sales excluding forward exchange hedging loss of ₩213 billion for currency risk management of expected export transactions, which has been reclassified to revenue.

B. Sales organization and sales route

- As of December 31, 2024, each of our television, IT, mobile and auto product businesses had individual sales and customer support functions.
- Sales subsidiaries in the United States, Germany, Japan, Taiwan, China and Singapore perform sales activities and provide local technical support to customers.
- Sales of our products take place through one of the following two routes:

  1) LG Display Headquarters and overseas manufacturing subsidiaries → Overseas sales subsidiaries (USA/Germany/Japan/Taiwan/China/Singapore), etc. → System integrators and end-brand customers → End users

  2) LG Display Headquarters and overseas manufacturing subsidiaries → System integrators and end-brand customers → End users
- Sales performance by sales route

Sales performance	Sales route[1]	Ratio
Overseas	Overseas subsidiaries	97.9%
	Headquarters	2.1%
Overseas sales portion (overseas sales / total sales)		96.2%
Korea	Overseas subsidiaries	26.9%
	Headquarters	73.1%
Korea sales portion (Korea sales / total sales)		3.8%

(1) Percentage by sales route is based on revenue from the Display business segment.

C. Sales methods and sales terms

- Direct sales and sales through overseas subsidiaries, etc. Sales terms are subject to change depending on the fluctuation in the supply and demand.

D. Sales strategy

- With respect to television display products, we are strengthening our competitive advantages in the premium television display market by enhancing the performance and advancing the technology of our OLED television display panels and working towards strengthening our business portfolio and reinforcing consumer values through new growth businesses such as gaming and transparent products.
- With respect to IT display products, we are continually strengthening the sales of high-resolution, IPS, narrow bezel and other high-end display panels with major global IT product manufacturers as our primary customer base.
- With respect to mobile and other products (a wide range of products including smartphones, smartwatches and industrial products (including aviation and medical equipment, among others)), we are continuing to build a strong and diversified business portfolio and expand our global customer base by leveraging the strength of our differentiated technology and products such as OLED, narrow bezel, low-power consumption and thin and light features.
- With respect to automotive display products, our business is steadily growing on the back of stable orders secured through our ability to deliver differentiated value to global automobile manufacturers leveraging our diversified technology and product portfolio that includes plastic OLED, advanced thin OLED and LTPS LCD panels.

E. Major customers

- Customers “A” and “B” each accounted for more than 10% of our sales revenue in 2024 and 2023. Our sales revenue derived from our top ten customers comprised 89% of our total sales revenue in 2024 and 87% in 2023.

6. Purchase Orders

- We supply some of our products in accordance with the production plans of automobile manufacturers. However, the volume of our supply is subject to fluctuation depending on the customers' actual order volume and future market conditions, and it is not possible to accurately predict the changes in demand resulting from changes in the domestic and global economic environment. Moreover, as of December 31, 2024, we do not have purchase order contracts that recognize revenue by measuring progress towards satisfaction of performance obligation by using the cost-based input method.

7. Risk Management and Derivative Contracts

A. Risk management

(1) Major market risks

Our business is exposed to credit risk, liquidity risk and market risk. Accordingly, we operate a risk management system that identifies and analyzes these risks while monitoring and managing risk level by establishing appropriate risk controls in order to ensure that such risks do not exceed certain threshold levels.

Market risk refers to the risk that income from the financial instruments that we hold or the fair value of such financial instruments will fluctuate due to fluctuations in market prices, such as exchange rates, interest rates and prices of equity securities. The objective of our market risk management system is to manage and control our exposure to market risk within an acceptable level while optimizing our profit levels.

(2) Risk management method

As the average selling prices of OLED and TFT-LCD panels can continue to decline over time irrespective of industry-wide cyclical fluctuations, we may find it hard to manage risks associated with certain factors that are outside our control. However, we counteract such declines in average selling prices by increasing the proportion of high value added panels in our product mix while also implementing various cost reduction measures.

In addition, in order to manage our risk against foreign currency fluctuations, we eliminate such risk by adopting a policy of maintaining our net exposure risk within an acceptable level by buying or selling foreign currencies at spot rates, when necessary, to address short-term imbalances in the inflow and outflow of foreign currency funds. We also continually monitor our currency position and risk for other monetary assets and liabilities denominated in foreign currencies, and when needed, we may from time to time enter into cross-currency interest rate swap contracts and foreign currency forward contracts. Furthermore, we have adopted a policy aimed at minimizing uncertainty and financial costs arising from interest rate fluctuations and manage our interest rate risk through periodic monitoring of interest rate trends and adoption of appropriate countermeasures.

B. Derivative contracts

(1) Currency risks

- We are exposed to currency risks on sales, purchases and borrowings that are denominated in currencies other than in Won, our functional currency. These currencies are primarily the U.S. dollar, the Chinese Yuan and the Japanese Yen.
- Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by our underlying operations, primarily in Won, the U.S. dollar and the Chinese Yuan.

- As of the end of the reporting period, in order to avoid risks of exchange rate fluctuations on the fair value of advance received, we entered into long position currency forward contracts of US$750 million with Standard Chartered Bank and others. As of the end of the reporting period, among the valuation gains and losses of derivatives to which fair value hedge accounting is applied, there is no ineffective portion, and we recognized a valuation gain of ₩155 billion (purchase commitment: USD 750 million, contract exchange rate: ₩1,289.1~1,310.1) as part of our foreign currency translation gains and losses. With regard to fair value hedging, the maximum expected period of exposure to fair value fluctuation risk from hedged transactions is within 13 months from the end of the reporting period.
- As of the end of the reporting period, in order to avoid risks of interest rate fluctuations and exchange rate fluctuations on foreign currency denominated borrowings with floating interest rates, we entered into an aggregate of USD 1,480 million and CNY 726 million cross currency interest swap agreements with KB Kookmin Bank and others, for which we have not applied hedge accounting. Any rights or obligations arising from derivative contracts that do not apply hedge accounting are measured at fair value and are accounted for as assets and liabilities, whereas any resulting valuation gain or loss is recognized as profit or loss at the time such valuation gain or loss is incurred. We recognized a gain on valuation of derivative instruments in the amount of ₩143 billion with respect to the above foreign exchange derivative instruments held during the reporting period.

(2) Interest rate risks

- Our exposure to interest rate risks relates primarily to our floating rate long term loan obligations. We have established and are managing interest rate risk policies to minimize uncertainty and costs associated with interest rate fluctuations by monitoring cyclical interest rate fluctuations and enacting countermeasures.
- As of the end of the reporting period, we entered into an aggregate of ₩915 billion in interest rate swap agreements with Shinhan Bank and others, for which we have not applied hedge accounting. We recognized a gain on valuation of derivative instruments in the amount of ₩2 billion and a loss on valuation of derivative instruments in the amount of ₩6 billion with respect to our interest rate derivative instruments held during the reporting period.

8. Major Contracts

Our material contracts, other than contracts entered into in the ordinary course of business, are set forth below:

Type of agreement	Name of party	Term	Content
Technology licensing/supply agreement	Hewlett-Packard	January 2011 ~	Patent licensing of semi-conductor device technology
	Ignis Innovation, Inc.	July 2016 ~	Patent licensing of OLED related technology
	HannStar Display Corporation	December 2013 ~	Patent cross-licensing of LCD technology
	AU Optronics Corporation	August 2011 ~	Patent cross-licensing of LCD technology
	Innolux Corporation	July 2012 ~	Patent cross-licensing of LCD technology
	Universal Display Corporation	January 2015 ~ December 2025	Patent licensing of OLED related technology
	Semiconductor Energy Laboratory	January 2021 ~ December 2030	Patent licensing of LCD and OLED related technology
Real estate/others	LG Innotek Co., Ltd.	Date of contract: December 23, 2022 Term: December 26, 2022 ~ December 31, 2027	Lease of idle real estate property for rental income (the contract amount and other details are not disclosed in accordance with a non-disclosure agreement)
	LG Uplus Corp.	Date of contract: May 14, 2024	Sale of real estate property to enhance asset efficiency (for details, please refer to the Form 6-K furnished to the SEC on April 25, 2024)

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9. Research & Development ("R&D")

A. Summary of R&D-related expenditures

(Unit: In millions of Won, except percentages)

Items		2024	2023	2022
R&D Expenditures (prior to deducting governmental subsidies)		2,237,403	2,399,513	2,431,590
Governmental Subsidies		(705)	(718)	(1,008)
Net R&D-Related Expenditures		2,236,698	2,398,795	2,430,582
Accounting Treatment(1)	R&D Expenses	1,687,316	1,906,616	1,927,828
	Development Cost (Intangible Assets)	549,383	492,179	502,754
R&D-Related Expenditures / Revenue Ratio(2) (Total R&D-Related Expenditures ÷ Revenue for the period × 100)		8.4%	11.2%	9.3%

(1) For accounting treatment purposes, R&D expenses are presented as research and development expenses in our statements of comprehensive income, net of amortization of capitalized intangible asset development costs.
(2) Calculated based on the R&D-related expenditures before subtracting government subsidies (state subsidies).

B. R&D achievements

Achievements in 2022

(1) Developed the world's first 16:18 aspect ratio monitor product (27.6" SDQHD)

- Developed a 27.6" (21.5", 21.5", vertical arrangement) monitor product, which is optimized for multi-tasking amid the increase in working remotely as a result of the COVID-19 pandemic
- Created a new market through the development of a new aspect ratio (16:18, 2560x2880) product

(2) Developed our first three-sided "Borderless" notebook panel product (13.4" WU XPS)

- Led the high-end market by adopting a new, three-sided borderless design applying low power consumption variable refresh rate technology

(3) Developed the world's first 97" OLED TV product

- Developed a product that outperforms competitors' products both in display quality and in size in the high-end market
- Strengthened the global trend towards OLED dominance by expanding our extra-large OLED TV product lineup and secured related original technology

(4) Developed the world's first Curved 1,900R Black monitor product (34")

- Developed the world's first IPS Black Curved monitor product (contrast ratio 2000:1) by utilizing nega-LC material
- Led the high-end Curved product market

(5) Developed our first 12.3" cluster product utilizing VDA 3D technology

- Utilizing VDA (Viewing Distance Adaption) technology, developed a 12.3" cluster product that applies glassless 3D technology and changes the user's viewing distance while driving

(6) Developed the world’s first 12.3” cluster product utilizing DLC technology

- Utilizing DLC (Double LGP Control) technology, developed a 12.3” cluster product which display is, when positioned in the passenger seat, visually recognizable from the passenger seat but not from the driver’s seat.

(7) Developed the world’s first META technology-applied product (gaming products: 27”, 45”; and television products: 4K 77/65/55”, 8K 77”)

- Utilizing the development of META OLED technology, entered the gaming monitor market and strengthened flagship leadership in the premium TV market

  1) Gaming product (27”, 45”): Secured high PPI luminance performance based on the META technology and provided a display optimized for gaming through high-speed (240 Hz), fast response time (0.03ms) and curved technology

  2) Large television (4K/8K): Developed product with world’s best picture quality (luminance/viewing angle) based on META technology

(8) Developed the world’s first IPS Gaming FHD 480Hz monitor product (24.5”)

- Applied high-performance Oxide-TFT BCE-4 cell to 480Hz FHD screens
- Received the 2023 CES Award in Best Innovation / Gaming / Computer Accessory category

Achievements in 2023

(1) Developed the world’s first small- and medium-sized transparent WOLED product (30” HD)

- Expanded market coverage with the development of a new product size (30”) for transparent small- and medium-sized display
- Strengthened market leadership through achieving a transparency rate of 45% and increased luminance (600/200 nit)

(2) Introduced the world’s first foldable pen touch notebook (17”)

- Developed OLED panel for notebooks utilizing differentiated technologies such as the tandem OLED and a special folding structure

(3) Developed the world’s first Gaming OLED 240Hz monitor product (39”, 34”)

- Applied high-speed (240Hz), fast response time (0.03ms), high-luminance (275 nit @APL 100%) and curved (800R) OLED technology
- Provided ultra-wide (21:9 aspect ratio) full-size OLED Gaming monitor product (initially provided in 45” and expanded further to provide 39” and 34” products)

Achievements in 2024

(1) Developed the world’s first Gaming DFR product (31.5”)

- Optimized display through applying DFR (Dynamic Frequency & Resolution) technology, which enables the implementation of high resolution (UHD 240Hz) and high refresh rate (FHD 480 Hz) on a single display panel
- Maximized sound effects by applying d-TAS (Display Thin Accurator)

(2) Developed the world’s first Gaming OLED QHD 480Hz monitor product (27”)

- Provided optimal gaming environment with the development of the world’s first OLED QHD 480Hz high refresh rate monitor product

(3) Developed our first ATO-based notebook panel (13.4”)

- Developed Slim & Light product (1.16t / 162g) through the application of advanced thin OLED structure
- Developed high-efficiency OLED notebook panel product (SDR 400nit / HDR 500nit) utilizing Tandem OLED technology

- Became our first notebook panel model to apply Touch on Encap technology

(4) Developed our first Dual Resolution Gaming monitor product (27”)

- Expanded the gaming monitor market and provided differentiated user experience by implementing the Dual Resolution feature
- Enabled the use of a single monitor for both fast-paced (FHD 330Hz) games and high-resolution (UHD 165Hz) games

* Dual Resolution : UHD 165Hz ⟷ FHD 330Hz

(5) Developed next-generation Micro LED display product (22.3”)

- Provided a large-screen and high-resolution, new user experience through Active Matrix Micro LED transfer technology, panel technology, compensation technology and mechanical technology

1) 22.3” Module for 136” 4K business-to-consumer products

2) 22.3” Module for infinitely expandable business-to-business products

(6) Developed the world’s first ultra-large high resolution transparent OLED display product (77”)

- Developed new television models and lifestyle solutions with ultra-large, high-resolution displays with 45% transparency

(7) Developed the world’s first large-sized WOLED product based on 4-Stack technology (83/77/65/55/48” 4K television displays)

- Strengthened the competitiveness of our WOLED flagship models by applying the 4-Stack technology to large-sized WOLED display panels for the first time in the industry
- Improved customer value by delivering premium picture quality (luminance, color reproduction, and high-speed) while enhancing cost competitiveness
- Established a foundation for market expansion by strengthening the potential to expand into the new high-end monitor market

10. Intellectual Property

As of December 31, 2024, our cumulative patent portfolio (including patents that have already expired) included 29,883 patents in Korea and 36,590 patents in other countries. In 2024, we registered 2,106 patents in Korea and 2,717 patents in other countries.

11. Environmental and Safety Matters

In order to minimize the environmental impact of our business activities, we are actively responding to environmental regulations applicable to our products and business sites.

A. Business environment management

We have installed and operate various types of prevention facilities to minimize the emission of environmental pollutants generated in our production process. With respect to air and water pollutants, we set and manage our internal standard at 70% of the permitted levels under the regulatory emission standards. In addition, in order to establish a resource circulation system, we operate a proprietary system to monitor waste from its generation to treatment, have developed waste treatment technology and identified suitable recycling companies to reduce the amount of waste we generate and maximize recycling.

In addition, as we were designated a target company for the greenhouse gas emission trading system in 2015, we allocate and monitor our greenhouse gas emissions every year. In order to continually promote the reduction of greenhouse gas emissions, we have set a medium- to long-term goal to reduce the emission level by continually investing in facility improvements and monitoring our emission levels.

We are subject to a variety of environmental laws and regulations, and operations at our manufacturing plants are subject to regulation and periodic scheduled and unscheduled on-site inspections by the Ministry of Environment and local environmental protection authorities. The primary types of environmental laws applicable to us include the following:

(1) Environmental pollutant emission regulations: Integrated Control of Pollutant-discharging Facilities Act, Clean Air Conservation Act, Water Quality Conservation Act, Wastes Control Act, Environmental Impact Assessment Act, etc.

(2) Greenhouse gas emission management: Framework Act on Carbon Neutral and Green Growth to Respond to Climate Crisis, Act on the Allocation and Trading of Greenhouse Gas Emission Permits, etc.

(3) Other workplace environment management: Chemicals Control Act, Chemicals Registration and Evaluation Act, Soil Environment Conservation Act, etc.

Through the implementation of an environmental and energy management system, we are continuously making efforts to minimize environmental impact and reduce energy usage in all aspects of our business process. Accordingly, we have acquired and currently operate the environmental management system ISO14001 and energy management system ISO 50001 certifications for all of our domestic and overseas production sites. In addition, we have established company-wide safety, healthy, energy and environment management policies and manuals, which are regularly updated based on international standards. We also conduct systematic management of our business process in accordance with international standards through annual follow-up and renewal audits.

In recognition of our efforts, we were awarded the highest level, Leadership A, and received the grand prize award at the CDP Water Korea Best Awards in 2016 from the Carbon Disclosure Project, which was presided over by the Carbon Disclosure Project Korea Committee. Since then, we have continued to maintain our excellence in water conservation activities and received Leadership A recognition from 2018 to 2022. In addition, we have also received the Carbon Management Honors Club award from 2017 to 2020 and the Carbon Management Sector Honors from 2016 to 2023 in recognition of our continued greenhouse gas emission reduction activities.

In addition, in recognition of our efforts toward recycling rate improvement and waste reduction, we were nominated as a leading company with an excellent performance in resource circulation and received a commendation from the Minister of Environment in 2020. Our overseas subsidiary in Yantai earned Platinum Zero Waste to Landfill (“ZWTL”) validation in 2021, all of our domestic production facilities earned Gold ZWTL validation, our overseas subsidiary in Nanjing earned Platinum validation in 2022, and our Paju plant earned Platinum validation in June 2024. In 2022, we introduced a resource recirculation recognition program in accordance with the Korean government’s waste management policy and received circular resource certification on eight types of our discarded trays and vinyl. In 2023, we have obtained quality certification for certain of our recycled items recognized as circular resources, and we plan to continue to promote the resource circulation of our products. We will continue our efforts to reinforce our resource circulation program by minimizing waste and maximizing recycling rate.

We have continued to pursue ESG management activities based on the spirit of “value creation for consumers” and “human-first management,” and we plan to obtain further recognition for our eco-friendly management and share relevant information with the stakeholders.

B. Product environment management

In order to respond to applicable domestic and overseas environmental regulations, such as the European Union’s Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) that restrict the use of certain hazardous substances, we operate a hazardous substance management program that implements a four-step procedure (each such step, a “Gate”) that manages various stages of our production cycle, beginning with the registration process of our business partners up to the mass production stage. In addition, in order to preemptively address four types of phthalate substances that became additionally regulated pursuant to the RoHS in 2016 and officially went into effect on July 22, 2019, we replaced the latent risk elements in advance as well as implemented a more stable management process with respect to such substances. In implementing this process, we collaborated with external agencies to ascertain regulatory trends and establish our response strategy, and we formulated and applied effective management measures through the collaborative efforts of our development, procurement, quality assurance and analysis teams.

- Gate 01 (Business Partner Stage): An audit is conducted prior to the registration of a new business partner (including the inspection of the business partner's hazardous substance response process)
- Gate 02 (Parts Development Stage): An environmental evaluation of each part under development is conducted (consisting of three stages: (1) document review; (2) XRF test and (3) precision analysis)
- Gate 03 (Product Development Stage): An environmental evaluation of the product model and product labeling are conducted (including RoHS verification)
- Gate 04 (Mass Production Stage): Process management through the periodic testing of mass-produced parts for any hazardous substances (including rate-based tests based on risk assessment)

We operate a "Hazardous Substance Management System for Products" that effectively manages hazardous substances by classifying them into four levels: A-I, A-II, B-I, and B-II. In particular, in addition to substances prohibited by global hazardous substance regulations on products, we have designated substances causing harm to the human body and the environment as Level B substances. By developing alternative technologies and parts and applying them to our products, we continually strive to achieve a gradual reduction and elimination of non-prohibited hazardous substances.

- Level A-I (Prohibited Substances): Prohibited substances designated under the RoHS regulations (i.e., 10 regulated substances) and those designated by specific customers
- Level A-II (Prohibited Substances): Substances prohibited by regulations and conventions other than those covered under Level A-1 and those designated as such by customers
- Level B-I (Substances Subject to Voluntary Reduction): Substances that are being voluntarily replaced over a certain period of time
- Level B-II (Substances Under Observation): Substances that are not currently banned, but are expected to become prohibited in the future

Moreover, we participated in reforming IEC 62321, an international testing standard published by the International Electrotechnical Commission and used by RoHS, and the commission adopted our halogen-free combustion ion chromatography method in as IEC 62321-3-2, which was published in June 2013.

In 2017, we became the first display panel company to receive the SGS Eco Label accreditation for OLED television display modules from SGS, a global product testing/accreditation agency, and have since continually received such accreditation. In 2024, such accreditation has been updated to "SGS EEPS accreditation." In 2022, we expanded our accreditation program to cover display modules for monitors, notebook computers, tablets and automobiles, as a result of which our display modules for monitors and notebook computers received SGS Eco Label accreditation for the first time and our automotive display module became the first in the industry to receive the same accreditation for its excellence in energy efficiency, and we have since maintained the SGS Eco Label for such products. In 2023, our high-end LCD panels for 16-inch notebooks and 27-inch monitors, in which we incorporated recycled materials for the first time, received the SGS Eco Label accreditation. In addition, our 30-inch and 55-inch transparent display products, for which we applied hazardous substance reduction technology, became the first in the industry to receive the SGS Eco Label accreditation. Moreover, in 2022, our 27-inch monitor display product that applied anti-bacterial films received the SGS Performance Mark accreditation for its anti-bacterial performance, and in 2023, our commercial display module that applied Plus-Bright energy consumption reduction technology obtained the SGS Performance Mark accreditation for its energy efficiency performance. Our high-end LCD panels for 16-inch notebooks and 27-inch monitors also received the same accreditation for reducing energy consumption through the implementation of proprietary algorithms and improving panel transmittance.

Also in 2022, upon assessment and verification of GHG emissions throughout its entire product life cycle, our OLED TV panel received the industry's first Carbon Footprint Certification from The Carbon Trust, a not-for-profit company founded by the United Kingdom government that provides voluntary carbon certification services and carbon labeling schemes. In 2023, our high-end IT LCD panels (27-inch and smaller) received the Product Carbon Footprint (PCF) certification from TÜV Rheinland, a global independent testing, inspection and certification agency, by achieving carbon emission reduction through the application of recycled materials and low energy consumption technologies. Our OLED panels for automotive products also received the same certification for achieving carbon emission through the application of light-control film integration technology. In 2024, our 14-inch high-end LCD panel product for notebook computers received the Product Carbon Footprint Reduction (PCR) certification from TÜV Rheinland through the application of bio-plastic, recycled materials and ultra-precision micro-processing technology. Additionally, upon verification by Underwriters Laboratories (UL), a global inspection and certification agency, such display panel also received the Environmental Claim Validation (ECV) certification.

In 2021, we received the "Green Technology Certification" for our advanced incell touch display technology, an eco-friendly technology with touch-sensing electrodes and transmission lines that reduce carbon emissions and the use of rare metals. Also, since 2021, we have continued to obtain an eco-friendly certification from TUV SUD, a globally recognized accreditation agency, for excellence in resource circulation and non-use of specific hazardous substances in our display panels for OLED televisions, OLED tablets, and PO mobile models and smartwatches.

In 2018, we became the first display panel company to receive the "Green Technology Certification" from the Korean Ministry of Science and ICT for improving the light efficiency technology of OLED to promote energy use reduction. In 2017, for the IPS Nano Color for LCD, we received the Quality & Performance Mark from Intertek, a global product testing/accreditation agency, by applying a technology to eliminate cadmium (Cd) and indium phosphide (InP).

C. Safety standards

Our products comply with the IEC 62638-1 global product safety standards, and we obtain CB and UL certifications on applicable products.

In order to promote the enhancement of safety for automobile manufacturers and consumers, we became the first display panel company in June 2016 to introduce a flame-resistant certification program for our display panels, which program includes flame resistance standards for automotive materials (including ISO 3795, DIN 75200 and FMVSS 302 standards) as well as for safety standards for information technology devices, which has been certified by TUV SUD. In 2022, we expanded the number of applicable flame resistance standards for such program from three to nine.

Furthermore, in 2021, we established infrastructure for flammability tests required under the United States Federal Aviation Administration's FAR 25.853 standards and impact tests under RTCA DO-313 standards, and the reliability of these test results have been certified by TUV SUD.

D. Green management

Pursuant to the Framework Act on Carbon Neutral and Green Growth to Respond to Climate Crisis, the Korean government implemented a greenhouse gas emission and energy consumption target system from 2011 to 2014 and, since 2015, it has implemented a greenhouse gas trading system, under which we are responsible to meet our emission targets based on the emission credits allocated to us by the Ministry of Environment. As a result, we have been investing in additional equipment and there may be other costs associated with meeting reduction targets, which may have a negative effect on our profitability or production activities.

In connection with the greenhouse gas emission and energy reduction target system, we submitted a statement of our 2023 domestic emissions and energy usage to the Korean government in March 2024 after it was certified by DNV Business Assurance Korea, a government-designated certification agency. The table below sets forth yearly levels of our greenhouse gases emissions and energy usage in the statement submitted to the Korean government:

(Unit: thousand tons of CO_2 equivalent; Tetra Joules)

Category	2023	2022	2021
Greenhouse gases	3,492	3,842	4,784
Energy	55,119	60,589	60,927

Note: Our greenhouse gas emission and energy usage data have been confirmed upon assessment by the Ministry of Environment.

The decrease in greenhouse gas emissions in 2023 compared to 2022 was due to changes in production volume and the introduction of a reduction facility that decomposes fluorinated greenhouse gases used in our manufacturing process, resulting in an overall decrease in emission levels.

Since our designation as a target company for the greenhouse gas emission trading system in 2015, we have received greenhouse gas emission allowances from the government and at the same time submit our greenhouse gas emission calculations and specifications to the government every year. In order to continually promote the reduction of greenhouse gas emissions, we have set a mid-term goal to reduce the emission level from 2018 to 2030 by 53% and a medium- to long-term goal to achieve carbon neutrality by 2050. In order to reduce greenhouse gas emissions, we plan to develop high-efficiency process gas scrubbers and low-carbon alternative gas technologies, strengthen company-wide power-saving activities and accelerate the transition to renewable energy. In addition to internal reduction efforts, in order to achieve carbon neutrality by 2050, we plan to externally offset residual emissions that are difficult to reduce technically. In addition, through our ESG governance (including ESG committee/management meetings), we will regularly monitor and report our carbon-neutral implementation progress to strengthen our execution capabilities and continually upgrade our roadmap to achieve carbon neutrality by 2050.

In order to reduce fluorinated gases (F-Gas) used in the dry etching process in our manufacturing operations, we have invested approximately ₩51 billion since 2018 to install plasma equipment, which can reduce emissions of such gas by over 90%, on our manufacturing sites. As a result, in 2023, we were able to reduce greenhouse gas emissions caused by our manufacturing processes in Korea by 0.6 million tons. In addition, in line with the renewable energy utilization program in Korea, which was initiated in 2021, our domestic business sites are shifting to renewable energy through the green premium program, while our overseas business sites in China and Vietnam are shifting to renewable energy through Renewable Energy Certificate (REC) purchases. In 2023, we converted 1,159 GWh of electricity (approximately 15% of our total electricity) to renewable energy. In addition, to promote effective energy reduction, we have established a dedicated organization focused on energy conservation. By adopting various initiatives such as utilizing waste heat from Clean Dry Air (CDA) compressors to manufacture cold water and improve refrigerator efficiency, we saved 809 GWh of electricity in 2023, resulting in the reduction of greenhouse gas emissions by 0.4 million tons.

E. Status of sanctions

Date	Sanctioning Authority	Classification of Sanctioning Authority	Target	Description and Relevant Laws	Sanctions Imposed	Implementation Status
April 4, 2022	Han River Basin Environmental Office	Administrative Agency	Company	—Failure to file a subcontract report pertaining to the handling of hazardous chemical materials —Provision 1 of Article 31 of the Chemical Control Act and other applicable law	Fine of ₩2.4 million	—Paid fine —Established procedures for the management of subcontract reporting

April 13, 2022	Goyang Branch of Ministry of Employment and Labor	Administrative Agency	Company	—Delay in reporting a safety incident dated February 12, 2022 —Provision 3 of Article 57 of the Occupational Safety and Health Act and other applicable law	Fine of ₩5.6 million	—Paid fine —Provided a company-wide notice and training regarding standards for immediate reporting of incidents. —Took personnel actions relating to relevant employees
May 16, 2022	Goyang Branch of Uijeongbu District Court	Court	Company and one officer (former Executive Director and former On-site Safety Manager)	—Deficiencies spotted during a regular inspection of facility (from March 29 to April 2, 2021) following industrial accident at the site —Article 173-2, Article 168-1, Provision 1 or 3 of Article 38, and Provision 1 of Article 39 of the Occupational Safety and Health Act	Fine of ₩5 million to each of Company and officer	—Paid fine —Strengthened safety management standards and training program
December 15, 2022	Ministry of Environment	Administrative Agency	Company	—Failure to timely submit a notice of reason for cancelling the allocation of emission rights by December 15, 2022 —Provision 2 of Article 17 of the Act on the Allocation and Trading of Greenhouse-gas Emission Permits	Fine of ₩1.6 million	—Paid fine —Shutdown the production site and regular monitoring of changes in emission (once per month)
January 19, 2023	Goyang Branch of Uijeongbu District Court	Court	Company	—Safety incident on January 13, 2021 (fine announced on January 11, 2023, ruling confirmed on January 19, 2023)	Fine of ₩20 million	—Paid fine —Strengthened safety management standards and training program

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November 13, 2023	Southern Seoul Branch of Ministry of Employment and Labor	Administrative Agency	Company	—Non-payment of overtime pay —Provision 1 of Article 43 and Article 36 of the Labor Standards Act	—	—Implemented corrective orders, which were completed on November 27, 2023
December 16, 2023	Uijeongbu District Court	Court	Employee (Facility plant manager, Incumbent, 30 years of service)	—Safety incident on January 13, 2021 (fine announced on December 8, 2023, ruling confirmed on December 16, 2023)	Fine of ₩5 million	—Paid fine
March 22, 2024	Supreme Court	Court	Two employees (former Team Leader and former Manager)	—Safety incident on January 13, 2021 (final appeal dismissed on March 15, 2024, ruling confirmed by the Appellate Court on March 22, 2024)	Final appeal dismissed (1 year of imprisonment subject to two years of probation for both the Team Leader and Manager)	—

In January 2021, an incident involving a leakage of tetramethylammonium hydroxide chemicals occurred during refurbishment of equipment at one of our plants in Paju, causing bodily harm to workers. In December 2021, we and certain of our employees were prosecuted for violating the Occupational Safety and Health Act and the Chemicals Control Act. In January 2023, the Goyang Branch of the Uijeongbu District Court ordered a fine of ₩20 million. The prosecution filed an appeal with respect to several of the prosecuted employees, which was dismissed by the Seoul Appellate Court on December 8, 2023. In addition, the judgment against the remaining defendants, including one of our employees but excluding two of our employees who filed a final appeal with the Supreme Court, was confirmed on December 16, 2023. The final appeals of the two employees were dismissed on March 15, 2024, and the Appellate Court's ruling was confirmed on March 22, 2024. In order to prevent recurrence, we are exerting continual efforts to treat safety as a top priority management objective, including by strengthening our safety management standards and employee training efforts.

In April 2022, the Han River Basin Environmental Office ordered a fine of ₩2.4 million on us for a violation of Provision 1 of Article 31 of the Chemical Control Act and other applicable law. We paid the fine and established procedures to manage scheduling and documentation and guarantee timely subcontract declaration that follows regulations by the department in charge.

In April 2022, following a relevant department's delay in reporting an industrial accident (dated February 12, 2022) to the company by over a month, we were assessed a fine of ₩5.6 million for a violation of Provision 3 of Article 57 of the Occupational Safety and Health Act and other applicable law. We paid the fine and provided a company-wide notice and training to promote immediate reporting upon the occurrence of similar incidents and to prevent such delays in the future. We also took personnel actions relating to relevant employees.

In May 2022, after a regular facility inspection following an industrial accident at the site, the trial court (Goyang Branch of Uijeongbu District Court) ordered a fine of ₩5 million on each of us and one employee (former Executive Director and former On-site Safety Manager) for a violation of certain provisions of the Occupational Safety and Health Act. We are strengthening our safety management standards and employee training program to prevent industrial accidents.

On December 15, 2022, under Provision 2 of Article 17 of the Act on the Allocation and Trading of Greenhouse-gas Emission Permits, the Ministry of Environment ordered a fine of ₩1.6 million on us for failure to timely submit a report on the cancellation of allocation of emission rights (when a designated business entity shuts down a part or the entirety of its production site and if the such site's greenhouse gas emission is less than 50% of the allocated quota due to the closure, shutdown, or discontinuation of operation of its facilities, the designated business shall report to a relevant agency within a month of such shut down). We paid the fine and established procedures to prevent the recurrence of similar events, including regular monthly monitoring of site closures and changes in emissions.

On May 19, 2023, an incident resulting in the death of one of our employees occurred, and we subsequently became subject to a non-periodic inspection by the Southern Branch Office of the Seoul Regional Employment and Labor Office. As a result of the labor inspection, we and our former CEO were alleged to have violated Article 53 of the Labor Standards Act on October 6, 2023, and the Southern Branch Office of Ministry of Employment and Labor conducted an investigation, which was completed on October 22, 2024 without any prosecution. In addition, on November 13, 2023, we had received a corrective order from the Southern Branch Office of the Seoul Regional Employment and Labor Office to pay ₩239,743,773 in overtime wages to the relevant employees for violations of Article 36 and Provision 1 of Article 43 of the Labor Standards Act. On November 27, 2023, we had fulfilled the corrective order, and accordingly, we do not expect to be charged with any further penalties in relation to the corrective order. In the case of a corrective order, when such order is fulfilled, the case becomes concluded at the labor office level, and the labor office does not pursue further criminal action. In order to prevent the recurrence of similar events, we have established a special committee to improve the culture of our organization and have continued to implement ongoing remedial measures including the reorganization of our employee attendance system.

12. Financial Information

A. Financial highlights (Based on consolidated K-IFRS).

Note: The financial information below is based on our consolidated financial statements which remain subject to approval at our upcoming annual general meeting of shareholders scheduled on March 20, 2025. If our financial statements are not approved at such annual general meeting of shareholders or otherwise become amended, we will disclose such matter and the reasons therefor in an amended report.

(Unit: In millions of Won)

Description	As of December 31, 2024	As of December 31, 2023	As of December 31, 2022
Current assets	10,123,037	9,503,186	9,444,035
Quick assets	7,451,795	6,975,458	6,571,117
Inventories	2,671,242	2,527,728	2,872,918
Non-current assets	22,736,529	26,256,112	26,241,984
Investments in equity accounted investees	33,177	84,329	109,119
Property, plant and equipment, net	17,202,873	20,200,332	20,946,933
Intangible assets	1,558,407	1,773,955	1,752,957
Other non-current assets	3,942,072	4,197,496	3,432,975
Total assets	32,859,566	35,759,298	35,686,019
Current liabilities	15,859,084	13,885,028	13,961,520
Non-current liabilities	8,927,675	13,103,726	10,405,272
Total liabilities	24,786,759	26,988,754	24,366,792
Share capital	2,500,000	1,789,079	1,789,079
Share premium	2,773,587	2,251,113	2,251,113
Retained earnings	(18,512)	2,676,014	5,359,769
Other equity	995,823	515,976	479,628
Accumulated other comprehensive income held for sale	291,363	—	—
Non-controlling interest	1,530,546	1,538,362	1,439,638
Total equity	8,072,807	8,770,544	11,319,227

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(Unit: In millions of Won, except for per share data and number of consolidated entities)

Description	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	26,615,347	21,330,819	26,151,781
Operating profit (loss)	(560,596)	(2,510,164)	(2,085,047)
Profit (loss) from continuing operations	(2,409,300)	(2,576,729)	(3,195,585)
Profit (loss) for the period	(2,409,300)	(2,576,729)	(3,195,585)
Profit (loss) attributable to:			
Owners of the company	(2,562,606)	(2,733,742)	(3,071,565)
Non-controlling interest	153,306	157,013	(124,020)
Basic earnings (loss) per share(1)	(5,438)	(7,177)	(8,064)
Diluted earnings (loss) per share(1)	(5,438)	(7,177)	(8,064)
Number of consolidated entities(2)	22	22	22

(1) The number of outstanding common shares has increased due to our paid-in capital increase in the first quarter of 2024. The basic earnings (loss) per share and diluted earnings (loss) per share for the years ended December 31, 2023 and December 31, 2022 have been adjusted in consideration of the bonus element in a rights issue to our existing shareholders during the first quarter of 2024.

(2) The number of consolidated entities is based on the consolidated entities (including the parent company) as of the end of the reporting period.

B. Financial highlights (Based on separate K-IFRS).

Note: The financial information below is based on our separate financial statements which remain subject to approval at our upcoming annual general meeting of shareholders scheduled on March 20, 2025. If our financial statements are not approved at such annual general meeting of shareholders or otherwise become amended, we will disclose such matter and the reasons therefor in an amended report.

(Unit: In millions of Won)

Description	As of December 31, 2024	As of December 31, 2023	As of December 31, 2022
Current assets	8,647,395	5,590,482	5,627,177
Quick assets	6,860,717	3,809,523	3,702,583
Inventories	1,786,678	1,780,959	1,924,594
Non-current assets	21,151,656	24,141,930	23,631,862
Investments	3,939,474	4,932,063	4,837,704
Property, plant and equipment, net	11,913,336	13,584,247	14,044,844
Intangible assets	1,485,789	1,683,029	1,635,181
Other non-current assets	3,813,057	3,942,591	3,114,133
Total assets	29,799,051	29,732,412	29,259,039
Current liabilities	20,865,495	16,422,259	16,043,011
Non-current liabilities	5,137,758	7,628,598	5,865,589
Total liabilities	26,003,253	24,050,857	21,908,600
Share capital	2,500,000	1,789,079	1,789,079
Share premium	2,821,006	2,251,113	2,251,113
Retained earnings	(1,525,208)	1,641,363	3,310,247
Other equity	0	0	0
Total equity	3,795,798	5,681,555	7,350,439

(Unit: In millions of Won, except for per share data)

Description	For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022
Revenue	25,178,688	19,811,015	24,131,172
Operating profit (loss)	(1,800,625)	(3,884,121)	(3,201,463)
Profit (loss) from continuing operations	(3,034,736)	(1,718,701)	(3,191,387)
Profit (loss) for the period	(3,034,736)	(1,718,701)	(3,191,387)
Basic earnings (loss) per share[(1)]	(6,440)	(4,512)	(8,379)
Diluted earnings (loss) per share[(1)]	(6,440)	(4,512)	(8,379)

(1) The number of outstanding common shares has increased due to our paid-in capital increase in the first quarter of 2024. The basic earnings (loss) per share and diluted earnings (loss) per share for the years ended December 31, 2023 and December 31, 2022 have been adjusted in consideration of the bonus element in a rights issue to our existing shareholders during the first quarter of 2024.

C. Consolidated subsidiaries (as of December 31, 2024)

Company Interest	Primary Business	Location	Equity
LG Display America, Inc.	Sales	U.S.A.	100%
LG Display Germany GmbH	Sales	Germany	100%
LG Display Japan Co., Ltd.	Sales	Japan	100%
LG Display Taiwan Co., Ltd.	Sales	Taiwan	100%
LG Display Nanjing Co., Ltd.	Manufacturing	China	100%
LG Display Shanghai Co., Ltd.	Sales	China	100%
LG Display Guangzhou Co., Ltd.[(1)]	Manufacturing	China	100%
LG Display Shenzhen Co., Ltd.	Sales	China	100%
LG Display Singapore Pte. Ltd.	Sales	Singapore	100%
L&T Display Technology (Fujian) Limited	Manufacturing and sales	China	51%
LG Display Yantai Co., Ltd.	Manufacturing	China	100%
Nanumnuri Co., Ltd.	Workplace services	Korea	100%
LG Display (China) Co., Ltd.[(1)(2)]	Manufacturing and sales	China	80%
Unified Innovative Technology, LLC	Managing intellectual property	U.S.A.	100%
LG Display Guangzhou Trading Co., Ltd.	Sales	China	100%
Global OLED Technology LLC	Managing intellectual property	U.S.A.	100%
LG Display Vietnam Haiphong Co., Ltd.	Manufacturing and sales	Vietnam	100%
Suzhou Lehui Display Co., Ltd.	Manufacturing and sales	China	100%
LG Display Fund I LLC[(3)]	Investing in new emerging companies	U.S.A	100%
LG Display High-Tech (China) Co., Ltd.	Manufacturing and sales	China	70%

(1) On September 26, 2024, we entered into a contract to sell our 80% equity interest in LG Display (China) Co., Ltd. and 100% equity interest in LG Display Guangzhou Co., Ltd. As a result, the assets and liabilities related to LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. have been reclassified as assets and liabilities held for sale.
(2) During the reporting period, we acquired an additional 10% equity interest in LG Display (China) Co., Ltd. for ₩245,362 million.
(3) During the reporting period, we invested an additional ₩6,831 million in LG Display Fund I LLC.

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D. Status of equity investments in associates (as of December 31, 2024)

Company	Carrying Amount (in millions)	Date of Incorporation	Equity Interest
Paju Electric Glass Co., Ltd.	₩29,479	January 2005	40%
Wooree E&L Co., Ltd.[1]	—	June 2008	—
YAS Co., Ltd.[1]	—	April 2002	—
Avatec Co., Ltd.[1]	—	August 2000	—
Arctic Sentinel, Inc.	—	June 2008	10%
Cynora GmbH	—	March 2003	10%
Material Science Co., Ltd.[2]	₩ 3,698	January 2014	14%

(1) Due to the loss of our significant influence during the reporting period, our investments in such investees have been reclassified from investment in associates to financial assets at fair value through profit or loss.
(2) During the reporting period, our equity interest in Material Science Co., Ltd. decreased from 16% to 14% due to a decrease in the investee's treasury shares.

Although our respective share interests in Arctic Sentinel, Inc., Cynora GmbH and Material Science Co., Ltd. are below 20%, we are able to exercise significant influence through our right to appoint a director to the board of directors of each investee. Accordingly, the investments in these investees have been accounted for using the equity method.

For the years ended December 31, 2024 and 2023, the aggregate amount of dividends we received from our affiliated companies was ₩200 million and ₩15,200 million, respectively.

13. Audit Information

A. Audit service

(Unit: In millions of Won, hours)

Description	2024	2023	2022
Auditor	Samil PwC	KPMG Samjong	KPMG Samjong
Activity	Audit by independent auditor	Audit by independent auditor	Audit by independent auditor
Compensation[1]	1,800 (650)[2]	1,640 (590)[2]	1,557 (575)[2]
Time required[3]	23,430	21,246	21,238

(1) Compensation amount is the contracted amount for the full fiscal year.
(2) Compensation amount in ( ) is for Form 20-F filing and SOX 404 audit.
(3) Figures are based on actual performance as of the date of this report.

B. Non-audit service

Period	Date of contract	Description of service	Period of service	Compensation
2024	February 2024	Tax advice	March 2024 ~ December 2024	₩50 million
	September 2024	Tax advice	September 2024 ~ March 2025	₩40 million
2023	—	—	—	—
2022	—	—	—	—

* Based on direct contracts on a separate basis.

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14. Management's Discussion and Analysis of Financial Condition and Results of Operations

A. Risk relating to forward-looking statements

This annual report contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements reflect our current views as of the date of this report with respect to future events and are not a guarantee of future performance or results. Actual results may differ materially from information contained in the forward-looking statements as a result of a number of factors beyond our control. We have no obligation to update or correct the forward-looking statements contained in these materials subsequent to the date hereof. All forward-looking statements attributable to us in this report are expressly qualified in their entirety by the cautionary statements contained or referred to in this section.

B. Overview

Due to continued volatility in the external environment, sluggish demand for downstream products continued to persist in 2024. Uncertainty in the global economy and the resulting demand downturn impacted all product categories; however, through our continued efforts to enhance our OLED-focused business structure, our revenue increased by 25% to ₩26.6 trillion in 2024 compared to 2023. In addition, by implementing structural cost reductions and improving operational efficiency, we reduced our operating loss by approximately ₩2 trillion compared to 2023, recording an operating loss of ₩560.6 billion in 2024. As a result, our EBITDA (which represents the sum of operating profit (loss), depreciation expenses and amortization expenses) increased significantly from ₩1.7 trillion in 2023 to ₩4.6 trillion in 2024.

As unfavorable macroeconomic conditions with delayed demand recovery due to sluggish downstream market conditions persisted, and as significant shifts in global trade dynamics emerged, the market experienced an unprecedented level of volatility. In response, we have been strengthening our performance stability by discontinuing our production of LCD television panels, which is highly sensitive to market volatility, and enhancing our business structure by increasing the proportion of differentiated high-end OLED products across all of our product categories.

With respect to our large-sized OLED business, we have been strengthening our profit base through cost structure reforms and flexible operation of our production capacity, with the goal of gradually enhancing our profitability over time. In the medium-sized display business, we plan to continue to reinforce the stability of our business framework through a differentiated product portfolio, including panels applying tandem OLED technology, which offer not only higher resolution but also lower power consumption and longer lifespan, and high-end and business-to-business-focused LCD panels, as well as strategic partnerships with global customers.

For the small-sized display business, we have continued to strengthen our position in the high-end display market by expanding our production capacity and enhancing our development expertise to gain customer trust. Going forward, we plan to further strengthen our business competitiveness through ongoing improvements in productivity and cost reform initiatives. In the automotive display business, we plan to continue pursuing both growth and profitability by leveraging differentiated products, technology and customer portfolio, with a focus on securing new orders and expanding our sales.

Based on the efforts and strategies mentioned above, we have been securing stable customer relationships with top-tier global customers while reinforcing our technological leadership, and have continued to improved our business performance. Our OLED business accounted for 40% of our total revenue in 2022, 48% in 2023 and 55% in 2024, and we expect its proportion to continue to increase in the future.

Through our business structure enhancement strategy, we have been continuing to strive to enhance performance stability while also strengthening our financial soundness. We continue to pursue intensive and ongoing cost reform initiatives across our production and operations, while also improving our cash flow levels by reducing our investment in facilities and disposing of non-strategic assets, such as the LCD television panel business. In response to macroeconomic uncertainties, we have been taking a cautious approach to new expansion investments, prioritizing the full utilization of our existing infrastructure. Accordingly, we reduced our capital expenditures under this strategy, from the low ₩5 trillion range in 2022 to the mid ₩3 trillion range in 2023, and further to the low ₩2 trillion range in 2024.

C. Financial condition and results of operations

(1) Changes in Political, Economic, Social, Competitive and Regulatory Environment

Our industry is subject to cyclical fluctuations, including recurring periods of capacity increases, that may adversely affect our results of operations.

Display panel manufacturers are vulnerable to cyclical market conditions. Intense competition and expectations of growth in demand across the industry may cause display panel manufacturers to make additional investments in manufacturing capacity on similar schedules, resulting in a surge in capacity when production is ramped up at new fabrication facilities. During such surges in capacity growth, as evidenced by past experiences, customers can exert strong downward pricing pressure, resulting in sharp declines in average selling prices and significant fluctuations in the panel manufacturers' gross margins. Conversely, demand surges and fluctuations in the supply chain can lead to price increases.

We address overcapacity issues by, in the short-term, adjusting the utilization rates of our existing fabrication facilities based on our assessment of industry inventory levels and demand for our products and, in the mid- to long-term, by fine-tuning our investment strategies relating to product development and capacity growth in light of our assessment of future market conditions.

In recent years, the display panel industry has experienced overcapacity relative to the general demand for display panels driven by uncertainties in the global economic environment. However, in light of our ongoing efforts to increase in our product mix the proportion of medium- and small-sized OLED panels which have a higher average revenue per square meter of net display area than large-sized panels, coupled with the depreciation of the Korean Won against the U.S. dollar, our average revenue per square meter of net display area increased by 33.1% to ₩1,103,379 in 2023. However, despite the increase in production volume due to the expansion in production capacity of our mobile products and the depreciation of the Korean Won against the U.S. dollar, our average revenue per square meter of net display area decreased by 2.5% to ₩1,075,879 in 2024, mainly due to the lack of a meaningful recovery in overall demand and weak demand for IT products.

While we believe that overcapacity and other cyclical issues in the industry are best addressed by increasing the proportion of high margin, differentiated products based on newer technologies that are tailored to our customers' evolving requests, we cannot provide any assurance that an increase in demand, which helped to mitigate the impact of industry-wide overcapacity in the past, will occur or continue in the future. We will respond to the overcapacity issues in the industry through close monitoring. However, construction of new fabrication facilities and other capacity expansion projects in the display panel industry are undertaken over an extended period of time. Therefore, even if overcapacity issues persist in the industry, there may be continued capacity expansion in the near future due to pre-determined capacity projects in the industry that were undertaken in past years. Any significant industry-wide capacity increases that are not accompanied by a sufficient increase in demand could further drive down the average selling price of our panels, which would negatively affect our results of operations.

Any decline in prices may be compounded by a seasonal weakening in demand growth for end products such as personal television, IT, mobile and other devices. Furthermore, once the differentiated products that had a positive impact on our performance mature in their technology cycle, if we are not able to develop and commercialize newer products to offset the price erosion of such maturing products in a timely manner, our ability to counter the impact of cyclical market conditions on our gross margins may be further limited. Future downturns resulting from any large increases in capacity or other factors affecting the industry may have a material adverse effect on our business, financial condition and results of operations.

When there is deterioration in market conditions, we may record impairment losses of our tangible and intangible assets. In 2022, due to increased volatility in the display industry market as a result of deteriorating and uncertain global economic conditions, we performed impairment tests for tangible and intangible assets related to our large-size OLED panel business. We cannot provide any assurance that we will not have to record additional impairment losses of tangible or intangible assets in light of any future economic downturns that may materially and negatively impact our financial condition and results of operations.

A global economic downturn may result in reduced demand for our products and adversely affect our profitability.

In recent years, an economic downturn caused by difficulties affecting the global financial sectors, adverse conditions and volatility in the worldwide credit and financial markets, and fluctuations in oil and commodity prices have collectively increased the uncertainty of economic prospects in general and have adversely affected the global and Korean economies. The recent global economic downturn has adversely affected demand for consumer products featuring display panels manufactured by our customers in Korea and overseas, including televisions, IT products (comprising notebook computers, desktop monitors and tablets), mobile products, automobiles and other devices utilizing display panels, which in turn may lead them to reduce or plan reductions of their production. Any decline in demand for display panel products may adversely affect our business, results of operations and/or financial condition.

Earthquakes, tsunamis, floods, infectious diseases and other natural calamities could materially and adversely affect our business, results of operations or financial condition.

As our main production facilities are concentrated in Korea, China and Vietnam and we are heavily dependent on certain countries including Korea, Japan and the United States for our major equipment, components and raw materials, any natural calamity that escalate in such regions may have an impact on our production. Our supply chain is generally concentrated in Northeast Asia, and there may be delays in the supply of raw materials, components and manufacturing equipment as well as disruptions in our production levels if unforeseen natural calamities occur in the future.

The average selling prices of display panels have declined in general with time irrespective of industry-wide cyclical fluctuation and if the average selling prices of our panels decrease faster than the speed at which we are able to reduce our manufacturing costs, it could adversely affect our profit.

The average selling prices of display panels have generally declined and are expected to continue to decline over time due to various factors including technological advancements and cost reductions. Although we may be able to take advantage of the higher selling prices typically associated with new products and technologies when they are first introduced in the market, such prices may decline over time, and in some cases very rapidly, as a result of market competition or otherwise, and we may face difficulty in setting prices at levels that allow for sufficient margins. For example, our gross profit margin decreased from 4.3% in 2022 to 1.6% in 2023, but increased to 9.7% in 2024. If we are unable to effectively anticipate and counter the price erosion that accompanies our products, or if the average selling prices of our panels decrease faster than the speed at which we are able to reduce our manufacturing costs, our gross margin would decrease and our results of operations and financial condition may be materially and adversely affected.

We operate in a highly competitive environment and we may not be able to sustain our current market position.

The display panel industry is highly competitive. We have experienced pressure on the prices and margins of our major products due largely to additional capacity from panel makers in Korea, Taiwan, China and Japan.

The market share of Chinese display panel manufacturers has rapidly increased over the recent years, as a result of large investments in production facilities and mass production of lower-priced panels through various support provided by the Chinese government. In addition, in 2023, competitors in China and other regions have announced new plans for investment in OLED manufacturing facilities and technologies. As a result, competition in the industry may further intensify due to such additional investment decisions made by our competitors.

Some of our competitors may currently, or at some point in the future, have stronger financial positions and/or greater sales and marketing, manufacturing, research and development or technological resources than we do. In addition, our competitors may be able to manufacture panels on a larger scale or with greater cost efficiencies than we do and we anticipate increases in production capacity in the future by other display panel manufacturers using similar display panel technologies as us. Any price erosion resulting from strong global competition or additional industry capacity may materially affect our financial condition and results of operations.

In addition, consolidation within the industry in which we operate may result in increased competition as the entities emerging from such consolidation may have greater financial, manufacturing, research and development and other resources than we do, especially if such mergers or consolidations result in vertical integration and operational efficiencies.

Our ability to compete successfully also depends on factors both within and outside our control, including product pricing, performance and reliability, our relationship with customers, successful and timely investment and product development, success or failure of our end-brand customers in marketing their brands and products, component and raw material supply costs, and general economic and industry conditions. We cannot provide assurance that we will be able to maintain a competitive advantage with respect to all these factors and, as a result, we may be unable to sustain our current market position.

Our ability to compete successfully depends on many factors, including the price of our products, execution capability, reliability, customer relationship, effective and timely investment and product development, successful marketing of our customers' products that feature our panels, cost of raw materials and component parts, and general industry and economic conditions. We may be able to control some of these factors, but there are factors that are outside of our control. We cannot provide assurance that we will gain a competitive advantage in this environment, and we may not maintain our current status in the market.

One should not rely on period-to-period comparisons to predict our future performance as our results of operations may fluctuate significantly from period to period.

Our industry is affected by market conditions that are often outside the control of manufacturers. Our results of operations may fluctuate significantly from period to period due to a number of factors, including seasonal variations in consumer demand, capacity ramp-up by competitors, industry-wide technological changes, the loss of a key customer and the postponement, rescheduling or cancellation of large orders by a key customer, any of which may or may not reflect a continued trend from one period to the next. As a result of these factors and other risks discussed in this section, you should not rely on period-to-period comparisons to predict our future performance.

Our financial condition may be adversely affected if we cannot introduce new products to adapt to rapidly evolving customer needs on a timely basis.

Our success will depend greatly on our ability to respond quickly to rapidly evolving customer requirements and to develop and efficiently manufacture new and differentiated products in anticipation of future demand. A failure or delay on our part to develop and efficiently manufacture products of such quality and technical specifications that meet our customers' evolving needs may adversely affect our business.

Close cooperation with our customers to gain insights into their product needs and to understand general trends in the end-product market is a key component of our strategy to produce successful products. In addition, when developing new products, we often work closely with equipment suppliers to design equipment that will make our production processes for such new products more efficient. If we are unable to work together with our customers and equipment suppliers, or to sufficiently understand their respective needs and capabilities or general market trends, we may not be able to introduce or efficiently manufacture new products in a timely manner, which may have a material adverse effect on our financial situation.

In addition, product differentiation, especially the ability to develop and market differentiated products that command higher prices in a timely manner, has become a key competitive strategy in the display panel market. This is because the growth in demand is led by a timely introduction of end products with specifications tailored to the customers' needs and employing newer technologies at appropriate price levels. Accordingly, we have focused our efforts on developing and marketing differentiated specialty products, such as META technology-applied transparent OLED display panels and gaming-specialized display panels. We also strive to deliver differentiated values to meet our consumers' demand for various display panels including (i) panels utilizing ultra-high definition, or Ultra HD, technology with low-power consumption oxide TFT backplanes, (ii) Advanced High-Performance In-Plane Switching, or AH-IPS, panels for tablet computers, notebook computers, desktop monitors, and (iii) plastic OLED display panels for smartphones, automotive products and wearable devices.

We have developed sales and marketing strategies to respond to an increase in demand for differentiated new products in consumer electronics and other markets. However, we cannot provide assurance that the differentiated products we develop and market will be responsive to our end customers' needs nor that our products will promote market growth in consumer electronics or other markets.

Problems with product quality, including defects, in our products could result in a decrease in customers and sales, unexpected expenses and loss of market share.

Our products are manufactured using advanced, and often new, technology and must meet stringent quality requirements. Products manufactured using advanced and new technology, such as our OLED technology, may contain undetected errors or defects, especially when first introduced. For example, our latest display panels may contain defects that are not detected until after they are shipped or installed because we cannot test for all possible scenarios. Such defects could cause us to incur significant re-designing costs, divert the attention of our technology personnel from product development efforts and significantly affect our customer relations and business reputation. In addition, future product failures could cause us to incur substantial expense to repair or replace defective products.

We recognize a provision for warranty obligations based on the estimated costs that we expect to incur under our basic limited warranty for our products, which covers defective products and is normally valid for a certain period from the date of purchase. The warranty provision is largely based on historical and anticipated rates of warranty claims, and therefore we cannot provide assurance that the provision would be sufficient to cover any surge in future warranty expenses that significantly exceed historical and anticipated rates of warranty claims. In addition, if we deliver products with errors or defects, or if there is a perception that our products contain errors or defects, our credibility and the market acceptance and sales of our products could be harmed. Widespread product failures may damage our market reputation and reduce our market share and cause our sales to decline.

If economic conditions in Korea deteriorate, our current business and future growth could be materially and adversely affected.

Developments that could have an adverse impact on Korea's economy include:

- declines in consumer confidence and a slowdown in consumer spending;
- increase in product manufacturing and service costs and decrease in purchasing power due to inflation;
- deterioration in economic or diplomatic relations between Korea and its trading partners or allies, including deterioration resulting from territorial or trade disputes or disagreements in foreign policy (such as the ongoing trade disputes with Japan);
- adverse conditions or developments in the economies of countries and regions that are important export markets for Korea, such as China, the United States, Europe and Japan, or in emerging market economies in Asia or elsewhere, including as a result of deteriorating economic and trade relations between the United States and China and increased uncertainties resulting from the United Kingdom's exit from the European Union;
- the occurrence of severe health epidemics in Korea and other parts of the world, such as the ongoing COVID-19 pandemic;

- adverse changes or volatility in foreign currency reserve levels, commodity prices (including oil prices), exchange rates (including fluctuation of the U.S. dollar, Euro or Japanese Yen exchange rates or revaluation of the Chinese Yuan, as well as the impact from the United Kingdom's exit from the European Union on the value of Korean Won), interest rates, inflation rates or stock markets;
- increased sovereign default risk in select countries and the resulting adverse effects on the global financial markets;
- a deterioration in the financial condition or performance of small- and medium-sized enterprises and other companies in Korea due to the Korean government's policies to increase minimum wages and limit working hours of employees;
- investigations of large Korean business groups and their senior management for possible misconduct;
- a continuing rise in the level of household debt and increasing delinquencies and credit defaults by retail and small- and medium-sized enterprise borrowers in Korea;
- a shortage in imported raw materials, natural resources, rare-earth minerals or components, such as semiconductors, due to disruptions in the global supply chain;
- the economic impact of any pending free trade agreements or changes in existing free trade agreements;
- social and labor unrest;
- volatility in the market prices of Korean real estate;
- a decrease in tax revenues or a substantial increase in the Korean government's expenditures for fiscal stimulus measures, unemployment compensation and other economic and social programs, including in connection with the Korean government's ongoing efforts to provide emergency relief payments to households and emergency loans to businesses in light of economic difficulties caused by COVID-19, which may lead to an increased government budget deficit as well as an increase in the government's debt level;
- financial problems or lack of progress in the restructuring of Korean business groups, other large troubled companies, their suppliers or the financial sector;
- loss of investor confidence arising from corporate accounting irregularities or corporate governance issues at certain Korean companies;
- increases in social expenditures to support an aging population in Korea or decreases in economic productivity due to the declining population size in Korea;
- a continued decrease in the population and birthrates in Korea;
- geo-political uncertainty and risk of further attacks by terrorist groups around the world;
- natural or man-made disasters that have a significant adverse economic or other impact on Korea or its major trading partners;
- political uncertainty or increasing strife among or within political parties in Korea;
- hostilities or political or social tensions involving major oil producing countries (such as the Israeli-Palestinian conflict) and any material disruption in the global supply of oil or sudden increase in the price of oil;
- increased reliance on exports to service foreign currency debts, which could cause friction with Korea's trading partners;
- the continued growth of the Chinese economy, to the extent its benefits (such as increased exports to China) are outweighed by its costs (such as competition in export markets or for foreign investment and the relocation of manufacturing bases from Korea to China);
- hostilities, political or social tensions involving Russia (including the invasion of Ukraine by Russia and ensuing actions that the United States and other countries have taken or may take in the future) and any resulting adverse effects on the global supply of oil or the global financial markets; and
- an increase in the level of tensions or an outbreak of hostilities between North Korea and Korea or the United States.

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(2) Results of operations

Despite ongoing uncertainty in the global macroeconomic environment and continued sluggish demand in downstream industries, we achieved revenue growth compared to the previous year by expanding production levels, mainly of panels for smartphones, while reducing operating loss through extensive cost reduction measures and operational efficiency improvements. Our revenue increased by 25% to ₩26.6 trillion in 2024 compared to 2023, while our operating loss decreased by approximately ₩2 trillion to ₩560.6 billion during the same period. However, due to increased foreign exchange losses driven by increased exchange rate fluctuations and general depreciation of the Korean Won against the U.S. dollar in 2024, our net loss for the year remained largely unchanged from the previous year at ₩2.4 trillion.

By products:

- *Television*. The production volume of our OLED display panels for televisions increased by approximately 40% as we expanded our customer base and reinforced our position in the high-end market through new product promotions, while maintaining healthy inventory levels. As a result, the revenue from our television panel business increased by 38% in 2024 compared to 2023. We plan to fully discontinue production in our TFT-LCD television panel business after the first quarter of 2025 and thereafter focus on ultra-large OLED television panels and premium business-to-consumer products, such as OLED gaming monitors, to operate our business with a focus on profitability.

- *IT.* Demand for panels for IT products continued to remain weak, with market conditions varying by product type and region. In 2024, sales of entry-level models and sales in emerging markets increased, while the high-end display panel market for IT products showed relatively weak performance. Despite these challenges, the revenue from our IT products increased by 20% in 2024 compared to 2023, mainly reflecting our mass production of OLED panels for IT products utilizing tandem OLED technology. As for profitability, we have improved our financial performance through intensive cost structure reform, operational efficiency and strengthened partnerships with key customers in the downstream industry. In 2025, we plan to continue to closely assess and respond to opportunities related to a potential recovery in demand for panel purchases, including the increasing adoption of OLED products across product categories and replacement cycles of IT products.

- *Mobile and other products.* The production volume of our display panels for mobile and other products continued to expand as we strengthened our smartphone production capabilities, technological expertise and strategic positioning in the market. As a result, revenue from our mobile and other products business increased by 25% in 2024 compared to 2023. Going forward, we plan to further strengthen our competitiveness by reinforcing our position in the high-end market, through leveraging strong customer trust.

- *Auto products.* The revenue from our auto products increased by approximately 14% in 2024 compared to 2023, driven by the operation of a three-track product portfolio, consisting of plastic OLED, advanced thin OLED and LTPS LCD panels, alongside our strong relationships with global customers. Going forward, we plan to secure both growth and profitability by expanding our sales and order volumes.

(Unit: In millions of Won)

Revenue	2024	2023	Changes	
			Amount	*Percentage*
TV	5,972,637	4,331,474	1,641,163	38%
IT	9,419,615	7,853,034	1,566,581	20%
Mobile and other products*	8,942,349	7,146,998	1,795,351	25%
Auto products	2,280,746	1,999,313	281,433	14%
Total*	26,615,347	21,330,819	5,284,528	25%

(*) Includes royalty and other revenue.

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(a) Revenue and cost of sales

Our business performance improved significantly as we enhanced our OLED-focused business structure, achieving a 25% increase in our revenue compared to the previous year. Despite the volatile external environment, our cost of sales as a percentage of revenue decreased by 8.1 percentage points from 98.4% in 2023 to 90.3% in 2024, which mainly reflected our intensive cost reform efforts.

(Unit: In millions of Won, except percentages)

Description	2024	2023	Changes *Amount*	Changes *Percentage*
Revenue	26,615,347	21,330,819	5,284,528	24.77%
Cost of sales	24,039,928	20,985,643	3,054,285	14.55%
Gross profit	2,575,419	345,176	2,230,243	646.12%
Cost of sales as a percentage of sales	90.3%	98.4%	(8.1)% points	

(b) Sales by category

There were no significant changes in the overall proportion of revenue attributable to each of our product segments compared to the previous year, as our ongoing transition to an OLED-focus business structure was reflected across all product categories. The proportion of our revenue attributable to our television panel business increased by 2.1 percentage points in 2024 compared to 2023 mainly due to the increase in production volume driven by strengthened customer relationships and a strategic focus on high-end products. Despite the commencement of mass production of OLED panels for tablets, the proportion of our revenue attributable to our IT products business decreased by 1.4 percentage points in 2024 compared to 2023, mainly due to prolonged weak demand for TFT-LCD panels for IT products. The proportion of our revenue attributable to our mobile and other products business remained at a similar level compared to the previous year, as production levels remained stable following the expansion of smartphone production capacity.

Categories	2024	2023	Difference
Panels for televisions	22.4%	20.3%	2.1% points
Panels for IT products	35.4%	36.8%	(1.4)% points
Panels for mobile applications and others*	33.6%	33.5%	0.1% points
Panels for auto products	8.6%	9.4%	(0.8)% points

(*) Includes royalty and other revenue.

(c) Production capacity

Due mainly to the commencement of mass production of OLED panels for IT products and expanded operations in light of an increase in the sales volume of OLED television products, our annual production capacity increased by 26% as of December 31, 2024 compared to the end of the previous year.

(Unit: 1,000 glass sheets)

Business	Item	Facility Location	2024*	2023*	2022*
Display	Display panels and etc.	Gumi, Paju, Guangzhou	6,573	5,223	8,794

(*) Calculated based on the maximum monthly input capacity (based on glass input substrate size for eighth-generation glass sheets) during the year multiplied by the number of months in a year (i.e., 12 months). The production capacity for facilities with adjusted utilization rates have been calculated based on the maximum input capacity during the period.

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(3) Financial condition

Note: The financial information below is based on our financial statements which remain subject to approval at our upcoming annual general meeting of shareholders scheduled on March 20, 2025. If our financial statements are not approved at such annual general meeting of shareholders or otherwise become amended, we will disclose such matter and the reasons therefor in an amended report.

(Unit: In millions of Won)

Description	2024	2023	Changes	
			Amount	*Percentage*
Current assets	10,123,037	9,503,186	619,851	6.5%
Non-current assets	22,736,529	26,256,112	(3,519,583)	(13.4)%
Total assets	32,859,566	35,759,298	(2,899,732)	(8.1)%
Current liabilities	15,859,084	13,885,028	1,974,056	14.2%
Non-current liabilities	8,927,675	13,103,726	(4,176,051)	(31.9)%
Total liabilities	24,786,759	26,988,754	(2,201,995)	(8.2)%
Share capital	2,500,000	1,789,079	710,921	39.7%
Share premium	2,773,587	2,251,113	522,474	23.2%
Retained earnings	(18,512)	2,676,014	(2,694,526)	(100.7)%
Reserves	995,823	515,976	479,847	93.0%
Accumulated other comprehensive income held for sale	291,363	0	291,363	N.A.*
Non-controlling interest	1,530,546	1,538,362	(7,816)	(0.5)%
Total equity	8,072,807	8,770,544	(697,737)	(8.0)%
Total liabilities and equity	32,859,566	35,759,298	(2,899,732)	(8.1)%
Liabilities-to-equity ratio	307.0%	307.7%	(0.7) percentage points	—

(*) Not applicable.

Our total assets amounted to ₩32,860 billion as of December 31, 2024, representing a decrease of 8.1% (or ₩2,900 billion) from our total assets as of December 31, 2023. Such decrease was primarily driven by our ongoing efforts to transition to an OLED-focused business structure, which included reclassifying the assets of our large-sized LCD television panel manufacturing subsidiaries in China as accumulated other comprehensive income held for sale, as well as a reduction in our investments compared to the previous year.

Our total liabilities amounted to ₩24,787 billion as of December 31, 2024, representing a decrease of ₩2,202 billion from the end of the previous year, and our liabilities-to-equity ratio as of December 31, 2024 remained at a similar level compared to the previous year at 307.0%. The decrease in liabilities was mainly due to the reclassification of the liabilities of our large-sized LCD television panel manufacturing subsidiaries in China as accumulated other comprehensive income held for sale, as well as the impact of cost reduction initiatives and investment reductions to enhance our cost competitiveness.

Our total equity amounted to ₩8,073 billion as of December 31, 2024, representing a decrease of ₩698 billion from the end of the previous year. Despite an increase of ₩1,281 billion from our paid-in capital increase in 2024, our total equity decreased partly due to the net loss recorded for the year, which led to a reduction in retained earnings.

In light of the increasing uncertainties in the external business environment and intensifying competition among display panel manufacturers, we have continued to enhance our business structure to strengthen profitability and have continually engaged in activities to restore our financial soundness. We are dedicated to improving our key financial indicators such as our liabilities-to-equity ratio by stabilizing our financial structure.

(4) Dependence on Key Customers

We sell our products to a select group of key customers, including our largest shareholder, and any significant decrease in their order levels will negatively affect our financial condition and results of operations.

A substantial portion of our sales is attributable to a limited group of end-brand customers and their designated system integrators. Sales attributed to our end-brand customers are for their end-brand products and do not include sales to these customers for their system integration activities for other end-brand products, if any. Our top ten end-brand customers, including LG Electronics Inc., our largest shareholder, together accounted for approximately 86% of our sales in 2022, 87% in 2023 and 89% in 2024.

We benefit from the strong collaborative relationships we maintain with our end-brand customers by participating in the development of their products and gaining insights about levels of future demand for our products and other industry trends. Customers trust our ability to supply differentiated and quality products even during downturns in the industry, and we benefit from the brand recognition of our customers' end products. The weakening of our ties with these end-brand customers, as a result of their entering into strategic supplier arrangements with our competitors or otherwise, would thus result in reduced sales and the loss of the aforementioned benefits. We cannot provide assurance that a select group of key end-brand customers, including our largest shareholder, will continue to place orders with us in the future at the same levels as in prior periods, or at all.

We expect that we will continue to be dependent upon LG Electronics and its affiliates for a significant portion of our revenue for the foreseeable future. Our results of operations and financial condition could therefore be affected by the overall performance of LG Electronics and its affiliates. Further details of our transactions with LG Electronics and its affiliates are described in Note 29 of the notes to our consolidated annual financial statements of the notes to our consolidated financial statements included elsewhere in this report.

Our revenue depends on continuing demand for IT products (comprising notebook computers, desktop monitors and tablet computers), televisions, mobile products, automobiles and other devices with panels of the type we produce. Our sales may not grow at the rate we expect if consumers do not purchase these products.

Currently, our total sales are derived principally from customers who use our products in IT products (comprising notebook computers, desktop monitors and tablet computers), televisions, mobile devices, automobiles and other products with display devices. In particular, a substantial percentage of our sales is derived from end-brand customers, or their designated system integrators, who use our panels in their IT products, which accounted for 42.5%, 36.8% and 35.4% of our total revenue in 2022, 2023 and 2024, respectively. A substantial portion of our sales is also derived from end-brand customers, or their designated system integrators, who use our panels in their televisions, which accounted for 26.5%, 20.3% and 22.4% of our total revenue in 2022, 2023 and 2024, respectively, those who use our panels in their mobile and other products, which accounted for 24.0%, 33.5% and 33.6% of our total revenue in 2022, 2023 and 2024, respectively, and those who use our panels in their auto products, which accounted for 6.9%, 9.4% and 8.6% of our total revenue in 2022, 2023 and 2024, respectively. (In the case of 2022, the foregoing descriptions of sales revenues generally exclude the amount of forward exchange hedging loss for currency risk management of expected export transactions, which has been reclassified to revenue.) Due to the structure of our sales, we will continue to be affected by demand from the IT products industry (comprising the personal computer and tablet computer industries), television industry, mobile device industry and automobile industry. Any downturn in any of such industries in which our customers operate may result in reduced demand for our products, which may in turn result in reduced revenue, lower average selling prices and/or reduced margins.

(5) Changes in Manufacturing Costs and Difficulties in Securing Supply of Raw Material

If we cannot maintain high capacity utilization rates, our profitability will be adversely affected.

The production of display panels entails high fixed costs resulting from considerable expenditures for the construction of complex fabrication and assembly facilities and the purchase of costly equipment. We aim to realize a higher gross margin and strive to maintain high capacity utilization rates so that we can allocate fixed costs over a greater number of panels produced. However, due to fluctuating demand for our products or overcapacity in the display industry, we may need to adjust utilization rates to a level that is lower than optimal and reduce production. As such, we cannot provide assurance that we will be able to maintain high capacity utilization rates in the future due to possibilities of fluctuation in market and industry conditions.

Limited availability of raw materials, components and manufacturing equipment could materially and adversely affect our business, results of operations or financial condition.

Our production operations are partly dependent on obtaining adequate supplies of quality raw materials and components on a timely basis. As a result, it is important for us to control our raw material and component costs and reduce the effects of fluctuations in price and availability. In general, we source most of our raw materials as well as key components, such as glass substrates, driver integrated circuits, polarizers and color filters used in both our TFT-LCD and OLED products, backlight units and liquid crystal materials used in our TFT-LCD products and emission materials used in our OLED products, from two or more suppliers for each key component. However, we may establish a working relationship with a single supplier if we believe it is advantageous to do so due to performance, quality, support, delivery, capacity, price or other considerations.

We may experience shortages in the supply of these key components, as well as other components or raw materials, as a result of, among other things, anticipated capacity expansion in the display industry, our dependence on a limited number of suppliers or other factors that are outside of our control such as military conflicts including the Russia-Ukraine and Israel-Palestine wars, natural calamities, health epidemics such as the COVID-19 pandemic, social unrest, work stoppages, strikes and trade sanctions. Our results of operations would be adversely affected if we were unable to obtain adequate supplies of high-quality raw materials or components in a timely manner or make alternative arrangements for such supplies in a timely manner.

We have purchased, and expect to purchase, a substantial portion of our equipment from a limited number of qualified foreign and local suppliers. From time to time, increased demand for new equipment may cause lead times to extend beyond those normally required by the equipment vendors. The unavailability of equipment, delays in the delivery of equipment, or the delivery of equipment that does not meet our specifications, could delay implementation of our expansion plans and impair our ability to meet customer orders. This could result in a loss of revenue and cause financial stress on our operations.

(6) Intangible Assets, Including Intellectual Property, and Research and Development Activities

Our business relies on our patent rights which may be narrowed in scope or found to be invalid or otherwise unenforceable.

Our success will be affected, to a significant extent, by our ability to obtain and enforce our patent rights both in Korea and worldwide. The coverage claimed in a patent application can be significantly reduced before a patent is issued, either in Korea or abroad. Consequently, we cannot provide assurance that any of our pending or future patent applications will result in the issuance of patents. Patents issued to us may be subjected to further proceedings limiting their scope and may not provide significant proprietary protection or competitive advantage. Our patents also may be challenged, circumvented, invalidated or deemed unenforceable. In addition, because patent applications in certain countries generally are not published until more than 18 months after they are first filed, and because publication of discoveries in scientific or patent literature often lags behind actual discoveries, we cannot be certain that we were, or any of our licensors was, the first creator of inventions covered by pending patent applications, that we or any of our licensors will be entitled to any rights in purported inventions claimed in pending or future patent applications, or that we were, or any of our licensors was, the first to file patent applications on such inventions.

Furthermore, pending patent applications or patents already issued to us or our licensors may become subject to dispute, and any dispute could be resolved against us. For example, we may become involved in re-examination, reissue or interference proceedings and the result of these proceedings could be the invalidation or substantial narrowing of our patent claims. We also could be subject to court proceedings that could find our patents invalid or unenforceable or could substantially narrow the scope of our patent claims. In addition, depending on the jurisdiction, statutory differences in patentable subject matter may limit the protection we can obtain on some of our inventions.

Failure to protect our intellectual property rights could impair our competitiveness and harm our business and future prospects.

We believe that developing new products and technologies that can be differentiated from those of our competitors is critical to the success of our business. We take active measures to obtain international protection of our intellectual property by obtaining patents and undertaking monitoring activities in our major markets. However, we cannot assure you that the measures we are taking will effectively deter competitors from improper use of our proprietary technologies. Our competitors may misappropriate our intellectual property, disputes as to ownership of intellectual property may arise and our intellectual property may otherwise become known or independently developed by our competitors. Any failure to protect our intellectual property could impair our competitiveness and harm our business and future prospects.

We also partially rely on technology provided by third parties and our business will suffer if we are unable to renew our licensing arrangements with them.

From time to time, we have obtained licenses for patent, copyright, trademark and other intellectual property rights to process and device technologies used in the production of our display panels. We have entered into key licensing arrangements with third parties, for which we have made, and continue to make, periodic license fee payments. In addition, we also have cross-license agreements with certain other third parties. These agreements terminate upon the expiration of the respective terms of the patents.

If we are unable to renew our technology licensing arrangements on acceptable terms, we may lose the legal protection to use certain of the processes we employ to manufacture our products and be prohibited from using those processes, which may prevent us from manufacturing and selling certain of our products, including our key products. In addition, we could be at a disadvantage if our competitors obtain licenses for protected technologies on more favorable terms than we do.

In the future, we may also need to obtain additional patent licenses for new or existing technologies. We cannot provide assurance that these license agreements can be obtained or renewed on acceptable terms or at all, and if not, our business and operating results could be adversely affected.

We rely upon trade secrets and other unpatented proprietary know-how to maintain our competitive position in the display panel industry and any loss of our rights to, or unauthorized disclosure of, our trade secrets or other unpatented proprietary know-how could negatively affect our business.

We also rely upon trade secrets, unpatented proprietary know-how and information, as well as continuing technological innovation in our business. The information we rely upon includes price forecasts, core technology and key customer information. We enter into confidentiality agreements with each of our employees and consultants upon the commencement of an employment or consulting relationship. These agreements generally provide that all inventions, ideas, discoveries, improvements and copyrightable material made or conceived by the individual arising out of the employment or consulting relationship and all confidential information developed or made known to the individual during the term of the relationship is our exclusive property.

We cannot provide assurance that these types of agreements are sufficient to prevent the misuse of our intellectual property rights and cannot guarantee that they will be fully enforceable, or that they will not be breached. We also cannot be certain that we will have adequate remedies for any such breach. The disclosure of our trade secrets or other know-how as a result of such a breach could adversely affect our business. Also, our competitors may come to know about or determine our trade secrets and other proprietary information through a variety of methods. Disputes may arise concerning the ownership of intellectual property or the applicability or enforceability of our confidentiality agreements, and there can be no assurance that any such disputes would be resolved in our favor. Furthermore, others may acquire or independently develop similar technology, or if patents are not issued with respect to technologies arising from our research, we may not be able to maintain information pertinent to such research as proprietary technology or trade secrets and that could have an adverse effect on our competitive position within the display panel industry.

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We have designated R&D organizations for our research and development activities.

Our research organizations consist of the infrastructure technology research center, next-generation technology research center and their designated departments, all of which are overseen by our chief technology officer. Our research organizations conduct research on differentiated and next-generation technologies and basic infrastructure technology as well as enhances our competitiveness by conducting research that is geared toward future product development. Our development organization comprises of groups and departments dedicated to the development of a wide range of television, IT, mobile and auto products, including product-specific circuits, instrument/optics and panel design.

Our research and development related expenditures amounted to ₩2,237 billion in 2024, which represented a decrease of ₩162 billion from 2023, and we are continually making investments that seek to strengthen our capabilities for our future businesses.

The book value of our intangible assets decreased by ₩216 billion compared to the end of the previous year to ₩1,558 billion as of December 31, 2024.

(7) Sensitivity to Exchange Rates and Inflation

There has been considerable volatility in foreign exchange rates for major currencies in recent years. To the extent that we incur costs in one currency and make sales in another, our profit margins may be affected by changes in the exchange rates between the two currencies.

Our sales of display panels are denominated mainly in U.S. dollars, whereas our purchases of raw materials are denominated mainly in U.S. dollars, Japanese Yen and Chinese Yuan. Our expenditures on capital equipment are primarily denominated in Korean Won, U.S. dollars, Vietnamese Dong, Chinese Yuan and Japanese Yen. Accordingly, fluctuations in exchange rates, in particular between the U.S. dollar and the Korean Won, between the Japanese Yen and the Korean Won as well as between the Chinese Yuan and the Korean Won, affect our pre-tax income, and in recent years, the value of the Won relative to the U.S. dollar, Chinese Yuan and Japanese Yen has fluctuated widely. Although a depreciation of the Korean Won against the U.S. dollar increases the Korean Won value of our export sales and enhances the price-competitiveness of our products in foreign markets in U.S. dollar terms, it also increases the cost of imported raw materials and components in Korean Won terms and our cost in Korean Won of servicing our U.S. dollar denominated debt. A depreciation of the Korean Won against the Chinese Yuan or Japanese Yen increases the Korean Won cost of our Chinese Yuan- or Japanese Yen-denominated purchases of equipment, raw materials or components, as applicable, but has relatively little impact on our sales as most of our sales are denominated in U.S. dollars. In addition, continued exchange rate volatility may also result in foreign exchange losses for us. Although a depreciation of the Korean Won against the U.S. dollar, in general, has a net positive impact on our results of operations that more than offsets the net negative impact caused by a depreciation of the Korean Won against the Chinese Yuan or Japanese Yen, we cannot provide assurance that the exchange rate of the Korean Won against foreign currencies will not be subject to significant fluctuations, or that the impact of such fluctuations will not adversely affect the results of our operations.

(8) Mergers, Business Transfers, Spin-offs, Asset Transfers and Comprehensive Stock Swap

In September 26, 2024, we entered into an agreement with TCL CSOT to dispose of our 51% equity interest in LG Display (China) Co., Ltd. and 100% equity interest in LG Display Guangzhou Co., Ltd., which sale is expected to be completed within one year. As a result, our equity interest in LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. have been reclassified as assets held for sale.

(9) Impairment Loss

The carrying amounts of our non-financial assets, other than assets arising from employee benefits, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. However, for goodwill acquired through business combinations, intangible assets with indefinite useful lives and intangible assets not yet in use, we conduct impairment tests on an annual basis, comparing the recoverable amount to the carrying amount, regardless of whether there are any indications of impairment.

As of the end of the reporting period, our cash generating units (CGUs) consist of the "Display CGU," "Display (Large OLED) CGU" and "Display (AD PO) CGU". We have conducted impairment tests for all of these CGUs. As of the end of the reporting period, all of our goodwill has been allocated to the Display CGU.

(10) Changes in Organization and Business Reorganization

In order to secure the fundamental competitiveness of our businesses and to seek sustainable growth, we are accelerating the transition of our business focus to the OLED business, while simultaneously pursuing activities to restructure our TFT-LCD business. In particular, we are in the process of forming an optimal business structure tailored to our future business through efficient human resources management and activities geared to achieve innovative enhancement of our personnel structure in order to improve our cost structure. From the overall organizational level, we established an organizational structure geared towards providing value innovations to customers, and we are in the process of changing the organizational structure and reorganizing our business units in order to achieve differentiated competitive strengths and enhanced profitability of our OLED business.

D. Liquidity and capital resources

(1) Liquidity

Our main source for the procurement of funds include operations and financing activities. As of December 31, 2023 and 2024, our cash and cash equivalents amounted to ₩2,258 billion and ₩2,022 billion, respectively. Short-term deposits in banks decreased by ₩905 billion from ₩906 billion as of December 31, 2023 to ₩0.6 billion as of December 31, 2024 mainly due to a decrease in our subsidiaries' restricted cash deposits as collateral for borrowing purposes.

Our primary use of cash has been to fund capital expenditures related to the expansion and improvement of our production capacity with respect to existing and newly developed products, including the construction and ramping-up of new, or in certain cases, expansion or conversion of existing, fabrication facilities and production lines and the acquisition of new equipment. We also use cash flows from operations for our working capital requirements and servicing our debt payments. We expect our cash requirements for 2025 to be primarily for capital expenditures and repayment of maturing debt.

The details of our cash and cash equivalents and deposits in banks as of December 31, 2023 and 2024 are as follows:

(Unit: in millions of won)

Description	2024	2023
Current assets		
Cash and cash equivalents		
Cash	—	3
Demand deposits(1)	2,021,640	2,257,519
Deposits in banks		
Time deposits(2)	600	905,971
Non-current assets		
Deposits in banks		
Deposit for checking account	11	11

(1) As of December 31, 2024, ₩158 billion of demand deposits has been reclassified as assets held for sale.
(2) Time deposits as of December 31, 2023 include mutual growth fund to aid LG Group's suppliers, as well as our and our subsidiaries' restricted cash deposits pledged as collateral for borrowing purposes and others.

As of December 31, 2023, our current assets and current liabilities amounted to ₩9,503 billion and ₩13,885 billion, respectively, resulting in a working capital of ₩(4,382) billion. As of December 31, 2024, our current assets and current liabilities amounted to ₩10,123 billion and ₩15,859 billion, respectively, resulting in a working capital of ₩(5,736) billion.

(Unit: in millions of won)

Description	2024	2023	Changes	
			Amount	*Percentage*
Current assets	10,123,037	9,503,186	619,851	6.1%
Current liabilities	15,859,084	13,885,028	1,974,056	12.4%
Net current assets	(5,736,047)	(4,381,842)	(1,354,205)	(23.6)%

We have established short-, mid- and long-term management strategies to continually monitor our cash flows. In addition, we have a sufficient level of cash and cash-equivalent assets to respond to unexpected liquidity risks in the future. In addition, in order to secure additional cash equivalents assets against potential liquidity risk situations, we have established, and proactively operate, a liquidity management system through securitization of receivables and increased borrowing capacity from financial institutions.

(2) Financial liabilities and capital resources

We are subject to financial and other covenants, including maintenance of credit ratings and terms related to specific financial items such as financial ratios, under certain of our debt obligations. If we experience an event of default due to our failure to comply with the applicable covenants, the principal amount and interest of our debt instruments may be subject to early repayment.

As of December 31, 2024, we are in compliance with the terms of our debt instruments, and our financial liabilities and capital resources are as follows:

(a) Financial liabilities

The details of our financial liabilities as of December 31, 2023 and 2024 are as follows:

(Unit: in millions of won)

Description	2024	2023
Current financial liabilities		
Short-term borrowings	969,595	1,875,635
Current portion of long-term borrowings	4,907,390	2,934,693
Current portion of bonds	611,882	369,716
Derivatives (*)	3,762	26,193
Derivatives (designated for fair value hedging) (**)	—	7,392
Lease liabilities	34,821	48,666
Total	6,527,450	5,262,295
Non-current financial liabilities		
Long-term borrowings	7,535,290	10,230,658
Bonds	525,957	1,118,427
Derivatives (*)	7,006	37,333
Derivatives (designated for fair value hedging) (**)	—	28,660
Lease liabilities	23,154	24,698
Total	8,091,407	11,439,776

(*) Represents derivatives that have not been recognized as hedging instruments and have resulted from currency interest rate swap contracts entered into in order to manage risks arising from foreign currency-denominated borrowings and foreign currency-denominated bonds.

(**) Represents derivatives that have been recognized as hedging instruments and have resulted from currency forward contracts entered into in order to manage risks arising from foreign currency-denominated advances.

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(b) Capital resources

Set forth below are the details of our procurement of funds as of December 31, 2024.

(Unit: In millions of Won)

Type	Currency	Lender	Longest Maturity	Interest rate as of December 31, 2024 (%)	2024	2023
Short-term borrowings	Korean Won	KEB Hana Bank, etc.	—	—	—	850,000
	Foreign currency	Standard Chartered Bank Singapore, etc.	April 2025	3.50~6.41	969,595	1,025,635
Long-term borrowings	Korean Won	Korea Development Bank, etc.	March 2030	2.41~6.06	4,668,538	4,490,967
	Foreign currency	KEB Hana Bank, etc.	July 2029	2.13~7.06	7,774,142	8,674,384
Bonds	Korean Won	Unsecured Public Offering	February 2027	2.79~3.66	655,000	1,025,000
		Unsecured Private Offering	January 2026	7.20~7.25	337,000	337,000
	Foreign currency	Unsecured Private Offering	April 2026	6.52	147,000	128,940
		Less: original issue discount			(1,161)	(2,797)
		Total			14,550,114	16,529,129

Set forth below are the cash flows on our borrowings by maturity, including interest payable thereon. We do not expect that such cash outflows will occur materially earlier than, or be materially different in amounts from, as indicated below.

(Unit: In millions of Won or millions of other currency)

Categories	Book value	Contractual cash flows: Total	Within 6 months	6~12 months	1~2 years	2~5 years	Over 5 years
Borrowings	13,412,275	14,453,995	3,730,807	2,609,727	3,941,215	4,146,933	25,313
Bonds	1,137,839	1,185,892	631,539	11,638	416,573	126,142	0
Total	14,550,114	15,639,887	4,362,346	2,621,365	4,357,788	4,273,075	25,313

(3) Cash usage

Our management constantly monitors our working capital, and we have been funding our cash requirements from cash flows from operations and debt financing. As of December 31, 2023, we believe that we have sufficient working capital for our present requirements.

Our ability to satisfy our cash requirements from cash flows from operations and financing activities will be affected by our ability to maintain and improve our margins and, in the case of external financing, market conditions, which in turn may be affected by several factors outside of our control. Therefore, we re-evaluate our capital requirements regularly in light of our cash flows from operations, the progress of our expansion plans and market conditions. To the extent that we do not generate sufficient cash flows from our operations to meet our capital requirements, we may rely on other financing activities, such as external long-term borrowings and securities offerings, including the issuance of equity, equity-linked and other debt securities.

In March 2024, as part of our ongoing efforts to improve our financial condition and liquidity, we issued 142,184,300 new shares of common stock at a subscription price of ₩9,090 per share (and US$3.4500019 per ADS) pursuant to a preemptive rights offering to our existing shareholders (including ADS holders) followed by a public offering in Korea. We have used and will continue to use the proceeds of such offering to fund our capital investments, general corporate purposes (including purchases of raw materials) and debt repayment. Immediately following the completion of such offering, the number of issued and outstanding shares of our common stock increased to 500,000,000.

Our net cash provided by operating activities amounted to ₩1,683 billion in 2023 and ₩2,412 billion in 2024. The increase in net cash provided by operating activities in 2024 compared to 2023 was mainly attributable to an increase in cash collected from our customers primarily as result of an increase in our sales revenue.

Our net cash used in investing activities amounted to ₩2,589 billion in 2023 and ₩1,363 billion in 2024. Net cash used in investing activities were primarily in relation to the construction of our new facilities and the expansion and conversion of our existing production facilities, which amounted to ₩3,483 billion in 2023 and ₩2,130 billion in 2024.

Such amounts in turn primarily reflected our investments in enhancing our OLED-focused business structure, including OLED display production facilities for IT products, as well as essential capital investments in the ordinary course of business. In 2025, as our top priority remains to be strengthening our business structure and financial soundness while securing stable profitability, we plan to take a conservative approach to new expansion investments. Accordingly, we plan to maintain a similar level of capital expenditure in 2025 compared to 2024, at around the low-to-mid ₩2 trillion range. We intend to fund our capital requirements associated with our expansion and construction projects with cash flows from operations and financing activities, such as external long-term borrowings. However, our overall expenditure levels and our allocation among projects are subject to many uncertainties, including the general economic conditions, fiscal policies, government regulations and competitive landscape.

Our net cash provided by financing activities amounted to ₩1,351 billion inflow in 2023 and ₩1,334 billion outflow in 2024. The net cash provided by financing activities in 2023 and 2024 primarily reflect borrowings incurred and repaid during such periods.

(Unit: In millions of Won)

Description	2024	2023	Changes
Net cash provided by operating activities	2,411,761	1,682,748	729,013
Net cash used in investing activities	(1,363,248)	(2,589,336)	1,226,088
Net cash provided by financing activities	(1,334,305)	1,350,863	(2,685,168)
Cash and cash equivalents at December 31	2,021,640	2,257,522	(235,882)

15. Board of Directors

A. Members of the board of directors

As of December 31, 2024, our board of directors consisted of two non-outside directors, one non-standing director and four outside directors.

(As of December 31, 2024)

Name	Position	Primary responsibility
Cheol Dong Jeong(1)	Representative Director (non-outside)	Chairman of board of directors
Sung Hyun Kim	Director (non-outside), Chief Financial Officer and Executive Vice President	Overall head of finances
Beom Jong Ha	Non-standing Director	Related to the overall management
Doo Cheol Moon(1)	Outside Director	Related to the overall management
Chung Hae Kang	Outside Director	Related to the overall management
Jung Suk Oh	Outside Director	Related to the overall management
Sang Hee Park	Outside Director	Related to the overall management

(1) At the annual general meeting of shareholders held on March 22, 2024, James (Ho Young) Jeong retired from his position as a non-outside director, Cheol Dong Jeong was newly appointed as a non-outside director, and Doo Cheol Moon was reappointed as an outside director.

B. Committees of the board of directors

We have the following committees that serve under our board of directors: Management Committee, Outside Director Nomination Committee, Audit Committee, ESG Committee and Related Party Transaction Committee.

As of December 31, 2024, the Management Committee consisted of two non-outside directors, Cheol Dong Jeong (Chairman) and Sung Hyun Kim.

As of December 31, 2024, the composition of the Outside Director Nomination Committee was as follows.

(As of December 31, 2024)

Committee	Composition	Members(1)
Outside Director Nomination Committee	1 non-standing director and 2 outside directors	Beom Jong Ha, Doo Cheol Moon and Jung Suk Oh

(1) Beom Jong Ha, Doo Cheol Moon and Jung Suk Oh were each appointed as a member of the outside director nomination committee of the board of directors at the board of directors' meeting on March 22, 2024.

As of December 31, 2024, the composition of the Audit Committee was as follows.

(As of December 31, 2024)

Committee	Composition	Members(1)
Audit Committee	4 outside directors	Doo Cheol Moon (Chairperson), Chung Hae Kang, Jung Suk Oh and Sang Hee Park

(1) Doo Cheol Moon was reappointed as an outside director and a member of the Audit Committee on March 22, 2024 and was appointed as the chairperson on April 24, 2024.

As of December 31, 2024, the composition of the ESG Committee was as follows.

(As of December 31, 2024)

Committee	Composition	Members(1)
ESG Committee	1 non-outside director and 4 outside directors	Doo Cheol Moon (Chairperson), Chung Hae Kang, Jung Suk Oh, Sang Hee Park and Cheol Dong Jeong

(1) Cheol Dong Jeong and Doo Cheol Moon were appointed as members of the committee on March 22, 2024.

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As of December 31, 2024, the composition of the Related Party Transaction Committee was as follows.

(As of December 31, 2024)

Committee	Composition	Members[1]
Related Party Transaction Committee	1 non-outside director and 3 outside directors	Chung Hae Kang (Chairperson), Jung Suk Oh, Sang Hee Park and Sung Hyun Kim

(1) Sang Hee Park was appointed as a member of the committee on March 22, 2024.

C. Independence of directors

Directors are appointed in accordance with the procedures of the Commercial Act and other relevant laws and regulations. Our board of directors is independent as four out of the seven directors that comprise the board are outside directors. Outside directors candidates are nominated for appointment at a shareholders' meeting after undergoing rigorous review by the Outside Director Nomination Committee.

16. Information Regarding Shares

A. Total number of shares

(1) Total number of shares authorized to be issued (as of December 31, 2024): 500,000,000 shares.

(2) Total shares issued and outstanding (as of December 31, 2024): 500,000,000 shares.

B. Shareholder list

(1) Largest shareholder and related parties as of December 31, 2024:

Name	Relationship	Number of shares of common stock	Equity interest
LG Electronics[1]	Largest shareholder	183,593,206	36.72%

(1) The number of shares and equity interest held by LG Electronics reflect its participation in our paid-in capital increase in March 2024.

(2) Shareholders who are known to us that own 5% or more of our shares as of December 31, 2024, which was the most recent record date:

Beneficial owner	Number of shares of common stock[1]	Equity interest
LG Electronics	183,593,206	36.72%
National Pension Service	27,841,533	5.57%
Employee Stock Ownership Association	27,118,517	5.42%

(1) The number of shares of common stock is based on the most recent shareholder register as of December 31, 2024, and may differ from the actual shareholding status.

17. Directors and Employees

A. Directors

(1) Remuneration for directors in 2024:

(Unit: person, in millions of Won)

Classification	No. of directors[1]	Amount paid[2][4]	Per capita average remuneration paid[3]
Non-outside directors	3	2,086	695
Outside directors who are not audit committee members	—	—	—
Outside directors who are audit committee members	4	384	96
Total	7	2,470	352

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(1) Number of directors as of December 31, 2024.

(2) The total compensation is based on the income under the Income Tax Act (earned income, other income and retirement income, each in accordance with Article 20, 21, and 22 of such act, respectively). It includes the compensation for the new members of the board of directors. Among the directors, one non-standing director is not compensated.

(3) Per capita average remuneration paid is calculated by using the sum of the average monthly remuneration paid in 2024 (excluding one non-standing director who is not compensated).

(4) Due to the retirement of James (Ho Young) Jeong as a non-outside director and the appointment of Cheol Dong Jeong as a non-outside director at the annual general meeting of shareholders held on March 22, 2024, the amount paid to non-outside directors includes the remuneration paid to both directors during their terms of office.

(2) Standards of remuneration paid to non-outside and outside directors

- Non-outside directors (excluding outside directors and audit committee members)

  The remuneration system for non-outside directors consists of base salary, position salary and performance-related pay. The remuneration for non-outside directors is measured in accordance with the standards established by the board of directors (within the amount approved at the annual general meeting of shareholders), including the non-outside director's position and job responsibilities.

  - Standards for base salary/position salary: relevant position and job responsibilities, among others
  - Standards for performance-related pay: financial performance of the company and achievement of individual management goals, among others

- Outside directors, audit committee members and auditor

  The remuneration for outside directors, audit committee members and auditor is measured in accordance with the standards established by the board of directors (within the amount approved at the annual general meeting of shareholders), including the individual's job responsibilities, among others.

(3) Remuneration for individual directors and audit committee members

- Individual amount of remuneration paid in 2024 (among those paid over ₩500 million per year)

(Unit: in millions of Won)

Name	Position	Total remuneration	Payment not included in total remuneration
James (Ho Young) Jeong	Former Representative Director, Former President	1,521	—
Cheol Dong Jeong	Representative Director, President	1,424	—
Sung Hyun Kim	Executive Vice President	545	—

- Method of calculation

Name	Method of calculation
James (Ho Young) Jeong	Total remuneration • ₩1,521 million (consisting of ₩351 million in salary and ₩1,170 million in retirement pay). Salary • Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩65 million between January and March were made. • Position salary is calculated based on the significance of the position and responsibilities of the job. Monthly payments of ₩52 million between January and March were made. • A total of ₩0.3 million of welfare benefits were paid between January and March in accordance with welfare benefits standards. Retirement pay • Retirement pay is calculated in accordance with the applicable provisions of our regulations on compensation for retiring executives and is evaluated by the duration of employment (24 years), monthly base salary at the time of retirement and payment rate per position (2.5 to 4.5%).
Cheol Dong Jeong	Total remuneration • ₩1,424 million (consisting of ₩1,424 million in salary). Salary • Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩65 million between January and December were made. • Position salary is calculated based on the significance of the position and responsibilities of the job. Monthly payments of ₩52 million between January and December were made. • A total of ₩20.1 million of welfare benefits were paid between January and December in accordance with welfare benefits standards.
Sung Hyun Kim	Total remuneration • ₩545 million (consisting of ₩545 million in salary). Salary • Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩37.8 million between January and December were made. • Position salary is calculated based on the significance of the position and responsibilities of the job. Monthly payments of ₩5.8 million between January and December were made. • A total of ₩21.9 million of welfare benefits were paid between January and December in accordance with welfare benefits standards.

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(4) Remuneration for the five highest paid individuals (among those paid over ₩500 million per year)

- Individual remuneration amount

(Unit: in millions of Won)

Name	Position	Total remuneration[1]	Payment not included in total remuneration
James (Ho Young) Jeong	Former Representative Director, Former President	1,521	—
Kang Yeol Oh	Advisor	1,481	—
Cheol Dong Jeong	Representative Director, President	1,424	—
Han Seop Kim	Advisor	1,284	—
Hee Yeon Kim	Advisor	1,182	—

(1) Calculated based on the total amount of remuneration for 2024.

- Method of calculation

Name	Method of calculation
James (Ho Young) Jeong[1]	Total remuneration[2] • ₩1,521 million (consisting of ₩351 million in salary and ₩1,170 million in retirement pay). Salary • Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩65 million between January and March were made. • Position salary is calculated based on the significance of the position and responsibilities of the job. Monthly payments of ₩52 million between January and March were made. • A total of ₩0.3 million of welfare benefits were paid between January and March in accordance with other welfare benefits standards. Retirement pay • Retirement pay is calculated in accordance with the applicable provisions of our regulations on compensation for retiring executives and is evaluated by the duration of employment (24 years), monthly base salary at the time of retirement and payment rate per position (2.5 to 4.5%).
Kang Yeol Oh[1]	Total remuneration[2] • ₩1,481 million (consisting of ₩241 million in salary and ₩1,240 million in retirement pay). Salary • Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩31.6 million between January and March and ₩15.8 million between April and December were made. • A total of ₩4.3 million of welfare benefits were paid between January and March in accordance with other welfare benefits standards. Retirement pay • Retirement pay is calculated in accordance with the applicable provisions of our regulations on compensation for retiring executives and is evaluated by the duration of employment (14 years), monthly base salary at the time of retirement and payment rate per position (2.5 to 4.5%)

Cheol Dong Jeong

Total remuneration[2]

- ₩1,424 million (consisting of ₩1,424 million in salary).

Salary

- Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩65 million between January and December were made.
- Position salary is calculated based on the significance of the position and responsibilities of the job. Monthly payments of ₩52 million between January and December were made.
- A total of ₩20.1 million of welfare benefits were paid between January and December in accordance with other welfare benefits standards.

Han Seop Kim[1]

Total remuneration[2]

- ₩1,284 million (consisting of ₩250 million in salary and ₩1,034 million in retirement pay).

Salary

- Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩31.6 million between January and March and ₩15.8 million between April and December were made.
- A total of ₩13.4 million of welfare benefits were paid between January and March in accordance with other welfare benefits standards.

Retirement pay

- Retirement pay is calculated in accordance with the applicable provisions of our regulations on compensation for retiring executives and is evaluated by the duration of employment (12 years), monthly base salary at the time of retirement and payment rate per position (2.5 to 4.5%).

Hee Yeon Kim[1]

Total remuneration[2]

- ₩1,182 million (consisting of ₩243 million in salary and ₩939 million in retirement pay).

Salary

- Base salary is set in accordance with the executive compensation regulations established by the board of directors. Monthly payments of ₩31.6 million between January and March and ₩15.8 million between April and December were made.
- A total of ₩6.2 million of welfare benefits were paid between January and March in accordance with other welfare benefits standards.

Retirement pay

- Retirement pay is calculated in accordance with the applicable provisions of our regulations on compensation for retiring executives and is evaluated by the duration of employment (11 years), monthly base salary at the time of retirement and payment rate per position (2.5 to 4.5%).

(1) Each of James (Ho Young) Jeong (former president), Kang Yeol Oh (advisor), Han Seop Kim (advisor) and Hee Yeon Kim (advisor) retired from our company effective as of March 31, 2024.
(2) Calculated based on the total amount of remuneration for 2024.

(5) Stock options

- Not applicable.

B. Employees

As of December 31, 2024, we had 25,144 employees (excluding our directors). On average, our male employees have served 14.2 years and our female employees have served 11.6 years. The total amount of salary paid to our employees for 2024 based on income tax statements submitted to the Korean tax authority in accordance with Article 20 of the Income Tax Act was ₩1,929,717 million for our male employees and ₩268,777 million for our female employees. The following table provides details of our employees as of December 31, 2024:

(Unit: person, in millions of Won, year)

	Number of employees(1)	Total salary in 2024(2)(3)(4)	Average salary per capita(5)	Average years of service
Male	21,454	1,929,717	86	14.2
Female	3,690	268,777	65	11.6
Total	25,144	2,198,494	83	13.8

(1) Includes part-time employees hired for temporary needs or to serve as temporary replacements for employees on parental leave.
(2) Welfare benefits and retirement expenses have been excluded. Total welfare benefit provided to our employees for the six months ended December 31, 2024 was ₩430,300 million and the per capita welfare benefit provided was ₩17.1 million.
(3) Based on income tax statements, which are submitted to the Korean tax authority in accordance with Article 20 of the Income Tax Act.
(4) Includes incentive payments to employees who have transferred from our affiliated companies.
(5) Calculated using the sum of the average monthly salary.

C. Remuneration for executive officers (excluding directors)

(Unit: person, in millions of Won)

Number of executive officers	Total salary in 2024	Average salary per capita(1)
86	32,232	367

(1) Calculated using the sum of the average monthly salary.

18. Other Matters

A. Legal proceedings

We are a defendant in two separate civil lawsuits (comprising one damages claim in the United Kingdom filed by private plaintiffs and one damages claim in Israel filed by private plaintiffs) filed against us and certain other TFT-LCD panel manufacturers in connection with alleged anticompetitive behavior of the defendants. In each of these cases, the amount being sought has not been determined. The trial for the case in the United Kingdom was completed and a hearing is scheduled regarding the related litigation costs and the possibility of an appeal, while no trial has been scheduled for the case in Israel. While the expected outcome of each of these cases is unclear, we do not believe that any of these cases would have a material effect on our financial conditions.

B. Status of collateral pledged to related party

On March 27, 2023, the Board of Directors resolved to borrow ₩1 trillion from our largest shareholder, LG Electronics, in order to strengthen the competitiveness of our OLED business as well as for working capital purposes, and withdrew ₩650 billion of the principal amount of such borrowing on March 30, 2023 and the remaining ₩350 billion on April 20, 2023. The repayment terms provide for a two-year grace period followed by a one-year repayment period in installments with an interest rate of 6.06%. In addition, we pledged certain of our land and buildings equivalent to the sum of the principal and interest amount as collateral for such borrowing.

C. Material events subsequent to the reporting period

None.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Consolidated Financial Statements

For the Year Ended December 31, 2024

(With Independent Auditor's Report Thereon)

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Independent Auditor's Report

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
LG Display Co., Ltd.

Opinion

We have audited the consolidated financial statements of LG Display Co., Ltd. and its subsidiaries (collectively referred to as the "Group") which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

We have also audited, in accordance with Korean Standards on Auditing, the Group's Internal Control over Financial Reporting for Consolidation Purposes as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*, and our report dated March 4, 2025 expressed an unqualified opinion.

Basis for Opinion

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment test of cash generating unit

Reasons why the matter was determined to be a key audit matter

As described in Note 9 and 10, the Group has classified the carrying amounts of property, plant, and equipment of ₩17,202,873 million and intangible assets of ₩1,558,407 million recognized as of the end of the reporting period into Display, Display (Large OLED), and Display (AD PO) cash generating units (CGUs). The Group identified indications of impairment due to the carrying amount of net assets being higher than market value as of the end of the reporting period and continuous operating losses due to competitive display market conditions. The Group performed an impairment test on the CGUs by evaluating the recoverable amount using the value in use calculated by applying the discounted cash flow model.

We determined the impairment test on the CGUs as a Key Audit Matter considering that significant judgment by management is involved in estimates such as cash flows and discount rates included in the Group's impairment test.

How our audit addressed the Key Audit Matter

We have performed the following audit procedures to address the Key Audit Matter.

- Understanding and evaluating the accounting policies and internal controls of the Group related to impairment testing
- Testing internal controls such as the management's review and approval of estimated business plan and significant assumptions for impairment testing
- Evaluating the completeness and accuracy of underlying data used in management's valuation model
- Verifying whether future cash flow estimates are consistent with business plans approved by management
- Evaluating the appropriateness of significant assumptions in valuation models including discount rates and growth rates by comparing them with external benchmarks within the industry and the Group's past financial information
- Evaluating the reasonableness of management's business plan estimates by comparing business plans established for each CGU in prior periods with actual performance for the current period
- Evaluating the competence and objectivity of independent external experts engaged by the Group
- Performing sensitivity analysis to assess the magnitude of changes in significant assumptions applied in valuation models that can result in impairment loss
- Evaluating the reasonableness of assumptions applied in a valuation model and discount rates used in the management's evaluation by utilizing auditor's valuation experts with professional skills and knowledge

(b) Assessment of recognition of deferred tax assets

Reasons why the matter was determined to be a key audit matter

As described in Note 24 to the financial statements, deferred tax assets recognized by the Group as of the end of the reporting period for temporary differences, tax loss carryforwards, and tax credit carryforwards amount to 3,504,177 million KRW. The Group evaluated the realizability of deferred tax assets considering the probability of generating taxable profit against which temporary differences, unused tax loss carryforwards, and tax credit carryforwards can be utilized.

We determined the assessment of realizability of deferred tax assets as a Key Audit Matter considering that significant judgment by management is involved in estimates such as expected taxable income and utilization of tax policy included in the Group's realizability assessment.

How our audit addressed the Key Audit Matter

We have performed the following audit procedures to address the Key Audit Matter.

- Understanding and evaluating the accounting policies and internal controls of the Group related to assessment of realizability of deferred tax assets
- Testing internal controls such as management's review and approval of significant assumptions in taxable profit forecasts and utilization of tax policy
- Evaluating whether expected taxable profit estimates are based on approved business plans, past performance, transfer pricing, and dividend policies
- Evaluating the appropriateness of management's estimates on future taxable profit by comparing past estimated taxable income with actual performance for the current period
- Evaluating the appropriateness of estimated timing for realization of temporary differences
- Evaluating whether expected tax rates applied to measure the deferred tax assets are based on enacted or substantively enacted tax rates by the end of the reporting period and expected to apply to accounting periods when assets are realized

Other Matters

The consolidated financial statements of the Group for the year ended December 31, 2023, were audited by another auditor who expressed an unqualified opinion on those statements on March 7, 2023.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Korean IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Sang-Woo Nam, Certified Public Accountant.

Seoul, Korea
March 4, 2025

This report is effective as of March 4, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Financial Position

As of December 31, 2024 and 2023

(In millions of won)	Note	December 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents	4, 26	₩ 2,021,640	2,257,522
Deposits in banks	4, 26	600	905,971
Trade accounts and notes receivable, net	5, 15, 26, 29	3,624,477	3,218,093
Other accounts receivable, net	5, 26	250,029	126,985
Other current financial assets	6, 26	328,621	168,623
Inventories	7	2,671,242	2,527,728
Prepaid income taxes		12,774	44,505
Assets held for sale	30	983,317	—
Other current assets		230,337	253,759
Total current assets		10,123,037	9,503,186
Deposits in banks	4, 26	11	11
Investments in equity accounted investees	8	33,177	84,329
Other non-current financial assets	6, 26	232,652	173,626
Property, plant and equipment, net	9, 18	17,202,873	20,200,332
Intangible assets, net	10, 18	1,558,407	1,773,955
Investment Property	11, 18	27,911	32,995
Deferred tax assets	24	3,504,177	3,562,861
Defined benefits assets, net	13	160,752	407,438
Other non-current assets		16,569	20,565
Total non-current assets		22,736,529	26,256,112
Total assets		₩ 32,859,566	35,759,298
Liabilities			
Trade accounts and notes payable	26, 29	₩ 4,156,149	4,175,064
Current financial liabilities	12, 26, 27, 28, 29	6,527,450	5,262,295
Other accounts payable	26	1,720,670	2,918,903
Accrued expenses		634,473	648,949
Income tax payable		65,366	52,237
Provisions	14	105,251	117,676
Advances received	15	904,628	625,838
Liabilities held for sale	30	1,656,841	—
Other current liabilities		88,256	84,066
Total current liabilities		15,859,084	13,885,028
Non-current financial liabilities	12, 26, 27, 28, 29	8,091,407	11,439,776
Non-current provisions	14	60,908	63,805
Defined benefit liabilities, net	13	1,093	1,559
Long-term advances received	15	220,500	967,050
Deferred tax liabilities	24	—	2,069
Other non-current liabilities	26	553,767	629,467
Total non-current liabilities		8,927,675	13,103,726
Total liabilities		24,786,759	26,988,754
Equity			
Share capital	16	2,500,000	1,789,079
Share premium	16	2,773,587	2,251,113
Retained earnings		(18,512)	2,676,014
Reserves	16	995,823	515,976
Accumulated other comprehensive income held for sale	30	291,363	—
Equity attributable to owners of the Parent		6,542,261	7,232,182
Non-controlling interests		1,530,546	1,538,362
Total equity		8,072,807	8,770,544
Total liabilities and equity		₩ 32,859,566	35,759,298

See accompanying notes to the consolidated financial statements.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Loss

For the years ended December 31, 2024 and 2023

(In millions of won, except loss per share amounts)	Note	2024	2023
Revenue	17, 18, 29	₩ 26,615,347	21,330,819
Cost of sales	7, 19, 29	(24,039,928)	(20,985,643)
Gross profit		2,575,419	345,176
Selling expenses	19, 20	(584,692)	(575,785)
Administrative expenses	19, 20	(1,103,617)	(899,902)
Research and development expenses	19	(1,447,706)	(1,379,653)
Operating loss		(560,596)	(2,510,164)
Finance income	22	883,094	1,122,294
Finance costs	22	(1,821,912)	(1,634,534)
Other non-operating income	21	2,100,443	1,472,258
Other non-operating expenses	21	(2,797,981)	(1,786,234)
Equity in income of equity accounted investees, net		5,412	(3,061)
Loss before income tax		(2,191,540)	(3,339,441)
Income tax benefit (expense)	23	(217,760)	762,712
Loss for the period		(2,409,300)	(2,576,729)
Other comprehensive income (loss)			
Items that will never be reclassified to profit or loss			
Remeasurements of net defined benefit liabilities	13	(131,835)	49,817
Other comprehensive income (loss) from associates	8	(85)	170
		(131,920)	49,987
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences for foreign operations	16	926,637	23,143
Other comprehensive income (loss) from associates	8, 16	3,320	(2,824)
		929,957	20,319
Other comprehensive income for the period, net of income tax		798,037	70,306
Total comprehensive loss for the period		₩ (1,611,263)	(2,506,423)
Profit (loss) attributable to:			
Owners of the Parent		(2,562,606)	(2,733,742)
Non-controlling interests		153,306	157,013
Loss for the period		₩ (2,409,300)	(2,576,729)
Total comprehensive income (loss) attributable to:			
Owners of the Parent		(1,923,316)	(2,647,407)
Non-controlling interests		312,053	140,984
Total comprehensive loss for the period		₩ (1,611,263)	(2,506,423)
Loss per share (in won)			
Basic loss per share	25	₩ (5,438)	(7,177)
Diluted loss per share	25	₩ (5,438)	(7,177)

See accompanying notes to the consolidated financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

		Attributable to owners of the Parent Company							
(In millions of won)	Note	Share capital	Share premium	Retained earnings	Reserves	Other comprehensive income classified as held for sale	Sub-total	Non-controlling interests	Total equity
Balances at January 1, 2023		₩1,789,079	2,251,113	5,359,769	479,628	—	9,879,589	1,439,638	11,319,227
Total comprehensive income (loss) for the period									
Profit (loss) for the period		—	—	(2,733,742)	—	—	(2,733,742)	157,013	(2,576,729)
Other comprehensive income (loss)									
Remeasurements of net defined benefit liabilities		—	—	49,817	—	—	49,817	—	49,817
Foreign currency translation differences		—	—	—	39,172	—	39,172	(16,029)	23,143
Other comprehensive income (loss) from associates		—	—	170	(2,824)	—	(2,654)	—	(2,654)
Total other comprehensive income (loss)		—	—	49,987	36,348	—	86,335	(16,029)	70,306
Total comprehensive income (loss) for the period		₩ —	—	(2,683,755)	36,348	—	(2,647,407)	140,984	(2,506,423)
Transaction with owners, recognized directly in equity									
Dividends to non-controlling shareholders in subsidiaries		—	—	—	—	—	—	(42,260)	(42,260)
Balances at December 31, 2023		₩1,789,079	2,251,113	2,676,014	515,976	—	7,232,182	1,538,362	8,770,544
Balances at January 1, 2024		₩1,789,079	2,251,113	2,676,014	515,976	—	7,232,182	1,538,362	8,770,544
Total comprehensive income (loss) for the period									
Profit (loss) for the period		—	—	(2,562,606)	—	—	(2,562,606)	153,306	(2,409,300)
Other comprehensive income (loss)									
Remeasurements of net defined benefit liabilities		—	—	(131,835)	—	—	(131,835)	—	(131,835)
Classified as held for sale		—	—		(215,788)	215,788	—	—	—
Foreign currency translation differences		—	—	—	692,315	75,575	767,890	158,747	926,637
Other comprehensive income (loss) from associates		—	—	(85)	3,320	—	3,235	—	3,235
Total other comprehensive income (loss)		—	—	(131,920)	479,847	291,363	639,290	158,747	798,037
Total comprehensive income (loss) for the period		₩ —	—	(2,694,526)	479,847	291,363	(1,923,316)	312,053	(1,611,263)
Transaction with owners, recognized directly in equity									
Capital increase	16	710,921	569,893	—	—	—	1,280,814	—	1,280,814
Acquisition of non-controlling shareholders' interests in subsidiaries		—	(47,419)	—	—	—	(47,419)	(183,850)	(231,269)
Dividends to non-controlling shareholders in subsidiaries		—	—	—	—	—	—	(136,019)	(136,019)
Total transaction with owners, recognized directly in equity		710,921	522,474	—	—	—	1,233,395	(319,869)	913,526
Balances at December 31, 2024		₩2,500,000	2,773,587	(18,512)	995,823	291,363	6,542,261	1,530,546	8,072,807

See accompanying notes to the consolidated financial statements.

LG DISPLAY CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(In millions of won)	Note	2024	2023
Cash flows from (used in) operating activities:			
Cash generated from operations	28	₩ 3,373,456	2,819,329
Income taxes paid		(139,782)	(290,102)
Interests received		93,945	144,402
Interests paid		(915,858)	(990,881)
Cash flows from operating activities		2,411,761	1,682,748
Cash flows from (used in) investing activities:			
Dividends received		200	15,200
Increase in deposits in banks		(1,700)	(943,166)
Proceeds from withdrawal of deposits in banks		921,995	1,785,231
Acquisition of financial assets at fair value through profit or loss		(5,470)	(4,615)
Proceeds from disposal of financial asset at fair value through profit or loss		5,301	546
Acquisition of financial assets at fair value through other comprehensive income		—	(3,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income		—	2,671
Proceeds from disposal of investments in associates		17,609	—
Acquisition of property, plant and equipment		(2,129,735)	(3,482,754)
Proceeds from disposal of property, plant and equipment		248,460	485,659
Acquisition of intangible assets		(786,819)	(672,076)
Proceeds from disposal of intangible assets		6,257	6,328
Proceeds from insurance payout		49,995	—
Government grants received		2,307	7,417
Proceeds from settlement of derivatives		274,173	178,610
Increase in short-term loans		19,697	27,411
Increase in deposits		(2,036)	(3,992)
Decrease in deposits		2,124	4,535
Proceeds from disposal of greenhouse gas emission permits		14,394	6,659
Cash flows used in investing activities		(1,363,248)	(2,589,336)
Cash flows from (used in) financing activities:	28		
Proceeds from short-term borrowings		5,219,941	6,729,725
Repayments of short-term borrowings		(6,285,819)	(7,446,111)
Proceeds from issuance of bonds		—	469,266
Repayments of bonds		(370,000)	(433,990)
Proceeds from long-term borrowings		2,912,552	4,765,524
Repayments of current portion of long-term borrowings		(3,638,904)	(2,625,970)
Payment of lease liabilities		(71,008)	(73,483)
Capital increase		1,292,455	—
Transaction cost from capital increase		(11,641)	—
Acquisition of non-controlling shareholders' interests in subsidiaries		(245,362)	—
Dividends to non-controlling shareholders in subsidiaries		(136,519)	(34,098)
Cash flows from (used in) financing activities		(1,334,305)	1,350,863
Net increase (decrease) in cash and cash equivalents		(285,792)	444,275
Cash and cash equivalents at January 1		2,257,522	1,824,649
Effect of exchange rate fluctuations on cash held		208,325	(11,402)
Cash and cash equivalents included in assets held for sale		(158,415)	—
Cash and cash equivalents at December 31		₩ 2,021,640	2,257,522

See accompanying notes to the consolidated financial statements.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting Entity

(a) Description of the Parent Company

LG Display Co., Ltd. (the " Parent Company ") was incorporated in February 1985 and the Parent Company is a public corporation listed in the Korea Exchange since 2004. The main business of the Parent Company and its subsidiaries (the "Group") is to manufacture and sell displays and its related products. As of December 31, 2024, the Group is operating Thin Film Transistor Liquid Crystal Display ("TFT-LCD") and Organic Light Emitting Diode ("OLED") panel manufacturing plants in Gumi, Paju and China and TFT-LCD and OLED module manufacturing plants in Gumi, Paju, China and Vietnam. The Parent Company is domiciled in the Republic of Korea with its address at 128 Yeouidae-ro, Yeongdeungpo-gu, Seoul, the Republic of Korea. As of December 31, 2024, LG Electronics Inc., a major shareholder of the Parent Company, owns 36.72% (183,593,206 shares) of the Parent Company's common stock.

As of December 31, 2024, 500,000,000 shares of the Parent Company's common stock are listed on Korea Exchange under the identifying code 034220, and 20,944,314 American Depository Shares ("ADSs", 2 ADSs represent one share of common stock) are listed on the New York Stock Exchange under the symbol "LPL".

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting Entity, Continued

(b) Consolidated Subsidiaries as of December 31, 2024

(In millions)

Subsidiaries	Location	Percentage of ownership(%)	Closing month	Date of incorporation	Business
LG Display America, Inc.	San Jose, U.S.A.	100	December	September 24, 1999	Sales of display products
LG Display Germany GmbH	Eschborn, Germany	100	December	October 15, 1999	Sales of display products
LG Display Japan Co., Ltd.	Tokyo, Japan	100	December	October 12, 1999	Sales of display products
LG Display Taiwan Co., Ltd.	Taipei, Taiwan	100	December	April 12, 1999	Sales of display products
LG Display Nanjing Co., Ltd.	Nanjing, China	100	December	July 15, 2002	Production of display products
LG Display Shanghai Co., Ltd.	Shanghai, China	100	December	January 16, 2003	Sales of display products
LG Display Guangzhou Co., Ltd.(*1)	Guangzhou, China	100	December	June 30, 2006	Production of display products
LG Display Shenzhen Co., Ltd.	Shenzhen, China	100	December	July 27, 2007	Sales of display products
LG Display Singapore Pte. Ltd.	Singapore	100	December	November 4, 2008	Sales of display products
L&T Display Technology (Fujian) Limited	Fujian, China	51	December	December 7, 2009	Production and sales of LCD module and LCD monitor sets
LG Display Yantai Co., Ltd.	Yantai, China	100	December	March 17, 2010	Production of display products
Nanumnuri Co., Ltd.	Gumi, South Korea	100	December	March 21, 2012	Business facility maintenance
LG Display (China) Co., Ltd.(*1)(*2)	Guangzhou, China	80	December	December 10, 2012	Production and sales of display products
Unified Innovative Technology, LLC	Wilmington, U.S.A.	100	December	March 12, 2014	Intellectual property management
LG Display Guangzhou Trading Co., Ltd.	Guangzhou, China	100	December	April 28, 2015	Sales of display products
Global OLED Technology, LLC	Sterling, U.S.A.	100	December	December 18, 2009	OLED intellectual property management
LG Display Vietnam Haiphong Co., Ltd.	Haiphong, Vietnam	100	December	May 5, 2016	Production and sales of display products
Suzhou Lehui Display Co., Ltd.	Suzhou, China	100	December	July 1, 2016	Production and sales of LCD module and LCD monitor sets
LG DISPLAY FUND I LLC(*3)	Wilmington, U.S.A.	100	December	May 1, 2018	Investment in venture business and technologies
LG Display High-Tech (China) Co., Ltd.	Guangzhou, China	70	December	July 11, 2018	Production and sales of display products

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting Entity, Continued

(b) Consolidated Subsidiaries as of December 31, 2024, Continued

(*1) For the year ended December 31, 2024, the contract to sell 80% of its stake in LG Display (China) Co., Ltd. and 100% of its stake in LG Display Guangzhou Co., Ltd. was signed. As a result, the assets and liabilities held by LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. are presented as assets and liabilities held for sale.

(*2) For the year ended December 31, 2024, the Group acquired 10% equity interests in LG Display (China) Co., Ltd. for ₩245,362 million from non-controlling shareholders.

(*3) For the year ended December 31, 2024, the Parent Company contributed ₩6,831 million in cash for the capital increase of LG DISPLAY FUND I LLC. There was no change in the Parent Company's percentage of ownership in LG DISPLAY FUND I LLC as a result of this additional investment.

In addition to the above subsidiaries, the Parent Company has invested ₩140,600 million in MMT (Money Market Trust), which is controlled by the Parent Company.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting Entity, Continued

(c) Summary of financial information (before the elimination of intercompany transactions) of subsidiaries as of and for the years ended December 31, 2024 and 2023 is as follows:

(In millions of won)

	December 31, 2024			2024	
Subsidiaries	**Total assets**	**Total liabilities**	**Total shareholders' equity**	**Sales**	**Net income (loss)**
LG Display America, Inc.	₩ 2,433,349	2,367,143	66,206	15,218,449	12,662
LG Display Germany GmbH	571,085	535,427	35,658	1,514,282	3,555
LG Display Japan Co., Ltd.	215,670	201,213	14,457	1,045,036	2,420
LG Display Taiwan Co., Ltd.	807,931	780,043	27,888	2,569,859	2,819
LG Display Nanjing Co., Ltd.	3,188,176	2,249,586	938,590	1,841,645	103,023
LG Display Shanghai Co., Ltd.	192,973	166,757	26,216	890,982	4,286
LG Display Guangzhou Co., Ltd.(*)	2,603,086	1,984,854	618,232	2,306,421	44,772
LG Display Shenzhen Co., Ltd.	117,986	101,622	16,364	589,537	2,818
LG Display Singapore Pte. Ltd.	3,570,065	3,554,525	15,540	1,442,304	(6,018)
L&T Display Technology (Fujian) Limited	345,309	242,376	102,933	851,228	18,251
LG Display Yantai Co., Ltd.	601,808	177,391	424,417	302,923	26,941
Nanumnuri Co., Ltd.	5,556	3,685	1,871	25,502	320
LG Display (China) Co., Ltd.(*)	2,237,053	276,308	1,960,745	1,477,381	46,621
Unified Innovative Technology, LLC	698	20	678	—	(523)
LG Display Guangzhou Trading Co., Ltd.	3,594,526	3,462,995	131,531	400,592	39,474
Global OLED Technology, LLC	32,998	3,512	29,486	1,312	(11,966)
LG Display Vietnam Haiphong Co., Ltd.	6,192,641	4,434,492	1,758,149	3,931,808	250,503
Suzhou Lehui Display Co., Ltd.	307,178	109,776	197,402	393,161	8,837
LG DISPLAY FUND I LLC	97,596	30	97,566	—	(3,164)
LG Display High-Tech (China) Co., Ltd.	7,630,921	4,000,109	3,630,812	2,482,999	432,402
Total(*)	₩34,746,605	24,651,864	10,094,741	37,285,421	978,033

(*) For the year ended December 31, 2024, the contract to sell 80% of its stake in LG Display (China) Co., Ltd. and 100% of its stake in LG Display Guangzhou Co., Ltd. was signed. As a result, the assets and liabilities held by LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. are presented as assets and liabilities held for sale.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

1. Reporting Entity, Continued

(In millions of won)	December 31, 2023			2023	
Subsidiaries	**Total assets**	**Total liabilities**	**Total shareholders' equity**	**Sales**	**Net income (loss)**
LG Display America, Inc.	₩ 1,872,996	1,826,784	46,212	11,952,787	9,789
LG Display Germany GmbH	315,096	286,596	28,500	1,247,796	2,321
LG Display Japan Co., Ltd.	157,279	145,709	11,570	913,462	3,932
LG Display Taiwan Co., Ltd.	265,810	242,463	23,347	1,697,729	(1,744)
LG Display Nanjing Co., Ltd.	3,731,464	2,986,076	745,388	1,764,307	85,121
LG Display Shanghai Co., Ltd.	334,278	314,805	19,473	797,516	3,822
LG Display Guangzhou Co., Ltd.	3,820,218	3,306,879	513,339	2,144,773	96,945
LG Display Shenzhen Co., Ltd.	97,514	85,518	11,996	453,174	1,735
LG Display Singapore Pte. Ltd.	760,769	741,604	19,165	1,147,311	3,689
L&T Display Technology (Fujian) Limited	309,340	221,293	88,047	960,302	25,079
LG Display Yantai Co., Ltd.	539,791	184,568	355,223	373,916	100,982
Nanumnuri Co., Ltd.	5,606	3,585	2,021	26,110	594
LG Display (China) Co., Ltd.	2,410,130	275,824	2,134,306	1,145,472	108,801
Unified Innovative Technology, LLC	1,093	—	1,093	—	(1,043)
LG Display Guangzhou Trading Co., Ltd.	2,341,100	2,291,500	49,600	457,404	15,016
Global OLED Technology, LLC	40,786	3,576	37,210	3,861	(10,838)
LG Display Vietnam Haiphong Co., Ltd.	5,918,634	4,614,173	1,304,461	2,773,046	159,089
Suzhou Lehui Display Co., Ltd.	284,364	115,169	169,195	414,537	7,739
LG DISPLAY FUND I LLC	82,099	14	82,085	—	(9,332)
LG Display High-Tech (China) Co., Ltd.	6,417,671	3,565,229	2,852,442	2,432,838	374,836
Total	₩29,706,038	21,211,365	8,494,673	30,706,341	976,533

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1. Reporting Entity, Continued

(d) Information of subsidiaries (before elimination of intercompany transactions) which have material non-controlling interests as of and for the years ended December 31, 2024 and 2023 are as follows:

(*In millions of won*)

	LG Display High-Tech (China) Co., Ltd.	
	2024	2023
Percentage of ownership in non-controlling interests (%)	30	30
Current assets	₩ 5,666,246	3,796,310
Non-current assets	1,964,675	2,621,361
Current liabilities	2,193,788	978,596
Non-current liabilities	1,806,321	2,586,633
Net assets	3,630,812	2,852,442
Book value of non-controlling interests	1,087,857	854,346
Revenue	₩ 2,482,999	2,432,838
Profit for the year	432,402	374,836
Profit attributable to non-controlling interests	129,721	112,451
Cash flows from operating activities	₩ 1,252,886	777,354
Cash flows used in investing activities	(1,290,367)	(979,167)
Cash flows from (used in) financing activities	(213,400)	365,898
Effect of exchange rate fluctuations on cash and cash equivalents	19,378	(3,571)
Net increase (decrease) in cash and cash equivalents	(231,503)	160,514
Cash and cash equivalents at January 1	314,075	153,561
Cash and cash equivalents at December 31	82,572	314,075

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

2. Basis of Presenting Financial Statements

(a) Application of accounting standards

In accordance with the Act on External Audits of Stock Companies, Etc., these consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards ("K-IFRS").

The consolidated financial statements were authorized for issuance by the Board of Directors on January 20, 2025, which will be submitted for approval to the shareholders' meeting to be held on March 20, 2025.

(b) Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items in the consolidated statement of financial position:

- derivative financial instruments at fair value, financial assets at fair value through profit or loss ("FVTPL"), financial assets at fair value through other comprehensive income ("FVOCI"), financial liabilities at fair value through profit or loss ("FVTPL"), and

- net defined benefit liabilities (defined benefit assets) recognized at the present value of defined benefit obligations less the fair value of plan assets

(c) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The consolidated financial statements are presented in Korean won, which is the Parent Company's functional and presentation currency.

(d) Estimates and Judgments

As the resulting accounting estimates will, by definition, seldom equal the related actual results, it can contain a significant risk of causing a material adjustment.

Estimates and assumptions are continuously evaluated and taken into account future events that are reasonably predictable in light of past experiences and current situations. Changes in accounting estimates are recognized during the period which the estimates have been changed and the future periods to be affected.

2. Basis of Presenting Financial Statements, Continued

(d) Estimates and Judgments, Continued

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Additional information of significant judgement and assumptions of certain items are included in relevant notes.

(i) Impairment of goodwill, etc.

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations (Note 10).

(ii) Income Tax

The Group's taxable income generated from these operations are 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. The Group estimates the income tax effects expected to be incurred in the future as a result of its operating activities up to the end of the reporting period, and recognizes them as current and deferred income taxes. However, the actual future income tax burden may not match the recognized related assets and liabilities, and such differences may affect the current and deferred income tax assets and liabilities at the time the expected income tax effects are realized.

In addition, deferred tax assets are recognized to the extent that it is probable that taxable income will be generated during the periods when temporary differences, unused tax losses, and tax credits are realized. Significant judgments are made to determine the book value of deferred tax assets that can be recognized based on the timing and level of future taxable income.

(iii) Net defined benefit liabilities (defined benefit assets)

The present value of defined benefit obligations can vary depending on various factors determined by actuarial methods. The assumptions applied to determine the net cost (profit) of retirement benefits include the discount rate, which represents the interest rate that should be applied to determine the present value of the estimated future cash outflows expected to occur upon the settlement of defined benefit obligations. An appropriate discount rate is determined by considering the yield on high-quality corporate bonds with maturities similar to the duration of the related pension liabilities, expressed in the currency in which the pension is paid. Other key assumptions related to defined benefit obligations are based on current market conditions.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
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3. Material Accounting Policies

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

(a) Consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is acquired until the date on which control is lost.

(ii) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Profit or loss and other comprehensive income (loss) of subsidiaries are attributed to owners of the Controlling Company and non-controlling interests.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of Control

If the Controlling Company loses control of subsidiaries, the Controlling Company derecognizes the assets and liabilities of the former subsidiaries from the consolidated statement of financial position and recognizes the gain or loss associated with the loss of control attributable to the former controlling interest. Meanwhile, the Controlling Company recognizes any investment retained in the former subsidiaries at its fair value when control is lost.

3. Material Accounting Policies, Continued

(a) Consolidation, Continued

(iv) Associates and joint ventures (equity method investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the parties have joint control, whereby the parties have rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associates and joint ventures are initially recognized at cost and subsequently accounted for using the equity method of accounting. The carrying amount of investments in associates and joint ventures is increased or decreased to recognize the Group’s share of the profits or losses and changes in the Group’s proportionate interest of the investee after the date of acquisition. Distributions received from an investee reduce the carrying amount of the investment.

If an associate or a joint venture uses accounting policies different from those of the Controlling Company for like transactions and events in similar circumstances, appropriate adjustments are made to the consolidated financial statements. As of and during the periods presented in the consolidated financial statements, no adjustments were made in applying the equity method.

When the Group’s share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, including income and expenses and any unrealized income and expenses and balance of trade accounts and notes receivable and payable arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3. Material Accounting Policies, Continued

(b) Foreign Currency Translation

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate on the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognized in profit or loss, except for differences arising on an investment in equity instruments designated as at FVOCI and a financial asset and liability designated as a cash flow hedge, which are recognized in other comprehensive income. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition are recognized in profit or loss in the period in which they arise. Foreign currency differences arising from assets and liabilities in relation to the investing and financing activities including borrowings, bonds and cash and cash equivalents are recognized in finance income (costs) in the consolidated statement of comprehensive income (loss) and foreign currency differences arising from assets and liabilities in relation to activities other than investing and financing activities are recognized in other non-operating income (expense) in the consolidated statement of comprehensive income (loss). Foreign currency differences are presented in gross amounts in the consolidated statement of comprehensive income (loss).

If the presentation currency of the Group is different from a foreign operation's functional currency, the financial position and financial performance of the foreign operation are translated into the presentation currency using the following methods. The assets and liabilities of foreign operations, whose functional currency is not the currency of a hyperinflationary economy are translated to the Group's functional currency at exchange rates at the reporting date. The income and expenses of foreign operations are translated to the Group's functional currency at exchange rates at the dates of the transactions and foreign currency differences are recognized in other comprehensive income (loss). Relevant proportionate shares of foreign currency differences are allocated to the controlling interests and non-controlling interests. When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation is treated as assets and liabilities of the foreign operation. Thus, they are expressed in the functional currency of the foreign operation and translated at the at each reporting date's exchange rate.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(c) Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash.

(d) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average method, and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated selling expenses. In the case of manufactured inventories and work-in-process, cost includes an appropriate share of production overheads based on the actual capacity of production facilities. However, the normal capacity is used for the allocation of fixed production overheads if the actual level of production is lower than the normal capacity.

(e) Financial Instruments

(i) Non-derivative financial assets

Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognized when they are originated. All other financial assets are recognized in statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

i) Financial assets

On initial recognition, a financial asset is classified as measured at: financial assets at amortized cost; financial assets at FVOCI; financial assets at FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the subsequent reporting period following the change in the business model.

A financial asset is measured as at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured as at FVTPL. This includes all derivative financial assets. At initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ii) Financial assets: business model

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice (these include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets);
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sale for this purpose.

A financial asset that is held for trading or is managed and whose performance is evaluated on a fair value basis is measured at FVTPL.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

iii) Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of the assessment, "principal" is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and cost (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows:
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest or the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued but unpaid contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

iv) Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

Derecognition

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, it transfers the rights to receive the contractual cash flows of the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it transfers or does not retain substantially all the risks and rewards of ownership of a transferred asset, and does not retain control of the transferred asset.

If the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognize the transferred asset.

(ii) Non-derivative financial liabilities

The Group classifies financial liabilities into two categories, financial liabilities at FVTPL and other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities, and recognizes them in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities at FVTPL include financial liabilities held for trading and designated as such upon initial recognition at FVTPL. After initial recognition, financial liabilities at FVOCI are measured at fair value, and changes therein are recognized in profit or loss. Upon initial recognition, transaction costs that are directly attributable to the issuance of financial liabilities are recognized in profit or loss as incurred.

Non-derivative financial liabilities other than financial liabilities classified as at FVOCI are classified as other financial liabilities and measured initially at fair value minus transaction costs that are directly attributable to the issuance of financial liabilities. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. As of December 31, 2024, non-derivative financial liabilities comprise borrowings, bonds, trade accounts and notes payable, other accounts payable and others.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

(iii) Derivative financial instruments

Derivatives are initially recognized at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Hedge Accounting

If necessary, the Group designates derivatives as hedging items to hedge the risk of changes in the fair value of assets, liabilities or firm commitments (a fair value hedge) and foreign currency risk of highly probable forecasted transactions or firm commitments (a cash flow hedge).

On initial designation of the hedge, the Group's management formally designates and documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship, both at the inception of the hedge relationship as well as on an ongoing basis.

i) Fair value hedges

Change in the fair value of a derivative hedging instrument designated as a fair value hedge and the hedged item is recognized in profit or loss, respectively. The gain or loss from remeasuring the hedging instrument at fair value and the gain or loss on the hedged item attributable to the hedged risk are recognized in profit or loss in the same line item of the statement of comprehensive income (loss). The Group discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised; or if the hedge no longer meets the criteria for hedge accounting.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

ii) Cash flow hedges

When a derivative designated as a cash flow hedging instrument meets the criteria of cash flow hedge accounting, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and the ineffective portion of changes in the fair value of the derivative is recognized in profit or loss. The Group discontinues cash flow hedge accounting if the hedging instruments expires or is sold, terminated or exercised; or if the hedge no longer meets the criteria for hedge accounting. The cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income is reclassified to profit or loss in the periods during which the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, then the balance in other comprehensive income is recognized immediately in profit or loss.

Embedded derivative

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Other derivative financial instruments

Other derivative financial instruments are measured at fair value and changes of their fair value are recognized in profit or loss.

(iv) Financial guarantee agreement

A financial guarantee agreement is a contract in which a certain amount of money must be paid to compensate for the loss incurred by the holder due to the failure of a particular debtor to pay on the due date in accordance with the terms of the original contract or the changed terms of the debt product. Financial guarantee contracts are measured at fair value at the time of initial recognition, and after initial recognition, they are measured by the higher of the following and displayed as 'Financial Liabilities' in the consolidated statement of financial position.

- The amount determined in accordance with the expected credit loss model
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with Korean IFRS 1115 *Revenue from Contracts with Customers*

(f) Property, Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes an expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and recognized in other non-operating income or other non-operating expenses.

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3. Material Accounting Policies, Continued

(f) Property, Plant and Equipment, Continued

(ii) Subsequent costs

Subsequent expenditure on an item of property, plant and equipment is recognized as part of its cost only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) Depreciation

Land is not depreciated and depreciation of other items of property, plant and equipment is recognized in profit or loss on a straight-line basis, reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Group. The residual value of property, plant and equipment is zero.

Typical estimated useful lives of the assets are as follows:

	Typical estimated useful lives (years)
Buildings and structures	20~40
Machinery	4, 5
Furniture and fixtures	4
Equipment, tools and vehicles	2, 4, 12
Right-of-use assets	(*)

(*) The Group depreciates the right-of-use assets from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate and any changes are accounted for as changes in accounting estimates.

(g) Borrowing Costs

The Group capitalizes borrowing costs, which includes interests and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. To the extent that the borrowings are directly attributable to the purpose of obtaining a qualifying asset, the Group determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. The Group immediately recognizes other borrowing costs as an expense.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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3. Material Accounting Policies, Continued

(h) Government Grants

In case there is reasonable assurance that the Group will comply with the conditions attached to a government grant, the government grant is recognized as follows:

(i) Grants related to the purchase or construction of assets

A government grant related to the purchase or construction of assets is deducted in calculating the carrying amount of the asset. The grant is recognized in profit or loss over the life of a depreciable asset as a reduced depreciation expense and cash related to grant received is presented in investing activities in the statement of cash flows.

(ii) Grants for compensating the Group's expenses incurred

A government grant that compensates the Group for expenses incurred is recognized in profit or loss as a deduction from relevant expenses on a systematic basis in the periods in which the expenses are recognized.

(iii) Other government grants

A government grant that becomes receivable for the purpose of giving immediate financial support to the Group with no compensation for expenses or losses already incurred or no future related costs is recognized as other non-operating income of the period in which it becomes receivable.

(i) Intangible Assets

Intangible assets are initially measured at cost. Subsequently, intangible assets are measured at cost less accumulated amortization and accumulated impairment losses.

(i) Goodwill

Goodwill arising from business combinations is recognized as the excess of the acquisition cost of a business over the net fair value of the identifiable assets acquired and liabilities assumed. Any deficit is a bargain purchase that is recognized in profit or loss. Goodwill is measured at cost less accumulated impairment losses.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in profit or loss as incurred. Development activities involve a plan or design of the production of new or substantially improved products and processes. Development expenditure is capitalized as intangible assets only if the Group can demonstrate all of the following:

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
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3. Material Accounting Policies, Continued

(i) Intangible Assets, Continued

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- its intention to complete the intangible asset and use or sell it,
- its ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits (among other things, the Group can demonstrate the usefulness of the intangible asset by existence of a market for the output of the intangible asset or the intangible asset itself if it is to be used internally),
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development projects are divided into research activities and development activities. Expenditures on research activities are recognized in profit or loss and qualifying development expenditures on development activities are capitalized.

The expenditure capitalized includes the cost of materials, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use and borrowing costs on qualifying assets.

(iii) Other intangible assets

Other intangible assets include intellectual property rights, software, customer relationships, technology, memberships and others. The Group currently has a number of patent license agreements related to product production. When the amount of payments is determined, it is recognized as intangible assets as intellectual property rights and other account payables, respectively, and the intangible assets are amortized on a straight-line basis over the patent license period.

(iv) Subsequent costs

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific intangible asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, are recognized in profit or loss as incurred.

(v) Amortization

Amortization is calculated on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The residual value of intangible assets is zero. However, as there are no foreseeable limits to the periods over which condominium and golf club memberships are expected to be available for use, these intangible assets are regarded as having indefinite useful lives and not amortized.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
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3. Material Accounting Policies, Continued

(i) Intangible Assets, Continued

Typical estimated useful lives of the intangible assets are as follows:

	Typical estimated useful lives (years)
Intellectual property rights	5, 10, (*1)
Software	4, (*1)
Technology	10
Development costs	(*2)
Condominium and golf club memberships	Indefinite

(*1) Patent royalty (included in intellectual property rights) and software license are amortized over the useful lives considering the contract period.

(*2) Capitalized development costs are amortized over the useful lives considering the life cycle of the developed products.

Amortization periods and the amortization methods for intangible assets with finite useful lives are reviewed at each financial year-end. The useful lives of intangible assets with indefinite useful lives are reviewed at each financial year-end to determine whether events and circumstances continue to support indefinite useful life assessments for those assets. If appropriate, the changes are accounted for as changes in accounting estimates.

(j) Investment Property

Property held to earn rentals or for capital appreciation or both is classified as investment property. Investment properties are initially measured at cost, including transaction costs incurred at the time of acquisition, and subsequently, measured at cost less accumulated depreciation and accumulated impairment loss.

Subsequent expenditure on an item of investment property is recognized as part of its cost only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized. All other subsequent expenditures are expensed in the period in which it is incurred.

Among investment properties, land is not depreciated, and investment properties except land are depreciated on a straight-line basis by applying 20 years of the building according to the economic depreciation period. Depreciation methods, useful lives and residual values of investment properties are reviewed at each reporting period-end and if appropriate, the changes are accounted for as changes in accounting estimates.

3. Material Accounting Policies, Continued

(k) Impairment

(i) Financial assets

Financial instruments and contract assets

The Group recognizes loss allowance for financial assets measured at amortized cost and debt investments at FVOCI at the ‘expected credit loss’ (ECL).

The Group recognizes a loss allowance for the life-time expected credit losses except for following, which are measured at 12-month ECLs:

- debt instruments that are determined to have low credit risk at the reporting date; and
- other debt instruments and bank deposits for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the Group’s historical experience and informed credit assessment including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of the ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3. Material Accounting Policies, Continued

(k) Impairment, Continued

Estimation of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured using the present value of the difference between the contractual cash flows and the expected contractual cash flows. The expected credit losses are discounted using effective interest rate of the financial assets.

Credit-impaired financial assets

At each reporting period-end, the Group assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of loss allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI instead of reducing the carrying amount of financial assets in the consolidated statement of financial position.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations for recovering the financial asset in its entirety or a portion thereof. The Group assess whether there are reasonable expectations of recovering the contractual cash flows from customers and individually assess the timing and amount of write-off. The Group expects no significant recovery from the amount written-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3. Material Accounting Policies, Continued

(k) Impairment, Continued

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than assets arising from employee benefits, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, irrespective of whether there is any indication of impairment, the recoverable amount is estimated each year.

Recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit ("CGU") is the smallest group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In identifying whether cash inflows from an asset or group of assets are largely independent of the cash inflows from other assets or groups of assets, the Group considers various factors including how management monitors the entity's operations or how management makes decisions about continuing or disposing of the entity's assets and operations. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or cash-generating unit is determined as the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Fair value less costs to sell is based on the best information available to reflect the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of a CGU are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

In respect of assets other than goodwill, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized from the acquisition cost. An impairment loss in respect of goodwill is not reversed.

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3. Material Accounting Policies, Continued

(l) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of its relative stand-alone price. For certain leases, the Group accounts for the lease and non-lease components as a single lease component by applying the practical expedient not to separate non-lease components.

The Group recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

3. Material Accounting Policies, Continued

(l) Leases, Continued

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the consolidated statement of financial position.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

At the commencement date, the Group recognizes assets held under a finance lease in its consolidated statement of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognize finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

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3. Material Accounting Policies, Continued

(m) Provisions

A provision is recognized as a result of a past event, if the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The risks and uncertainties that inevitably surround events and circumstances are taken into account in reaching the best estimate of a provision. Where the effect of the time value of money is material, provisions are determined at the present value of the expected future cash flows. The unwinding of the discount is recognized as finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

The Group recognizes a liability for warranty obligations based on the estimated costs expected to be incurred under its basic limited warranty. This warranty covers defective products and is normally applicable for a warranty period from the date of purchase. These liabilities are accrued when product revenues are recognized. Factors that affect the Group's warranty liability include historical and anticipated rates of warranty claims on those repairs and cost per claim to satisfy the Group's warranty obligation. Warranty costs primarily include raw materials and labor costs. As these factors are impacted by actual experience and future expectations, management periodically assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary. Accrued warranty obligations are included in the current and non-current provisions.

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources, are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

(n) Non-current Assets (liabilities) Held for Sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily from sale rather than through continuing use. In order to be classified as held for sale, the asset (or disposal group) is available for immediate sale in its present condition and its sale is highly probable. The assets (or disposal groups) that are classified as non-current assets (liabilities) held for sale are measured at the lower of their carrying amount and fair value less costs to sell on initial classification. The Group recognizes an impairment loss for any subsequent decrease in fair value of the asset (or disposal group) for which an impairment loss was recognized on initial classification as held-for-sale and a gain for any subsequent increase in fair value in profit or losses, up to the cumulative impairment loss previously recognized.

The Group does not depreciate a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3. Material Accounting Policies, Continued

(o) Employee Benefits

(i) Short-term employee benefits

Short-term employee benefits that are due to be settled within twelve months after the end of the period in which the employees render the related service are recognized in profit or loss on an undiscounted basis. The expected cost of profit-sharing and bonus plans and others are recognized when the Group has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

(iii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the period during which services are rendered by employees.

(iv) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than defined contribution plans. The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

The calculation is performed annually by an independent actuary using the projected unit credit method. The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The Group recognizes remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions related to the defined benefit plans in other comprehensive income and transfers immediately to retained earnings.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Consequently, the net interest on the net defined benefit liability (asset) now comprises: interest cost on the defined benefit obligation, interest income on plan assets, and interest on the effect on the asset ceiling.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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3. Material Accounting Policies, Continued

(o) Employee Benefits, Continued

(v) Termination benefits

The Group recognizes expense for termination benefits at the earlier of the date when the entity can no longer withdraw the offer of those benefits and when the entity recognizes costs for a restructuring involving the payment of termination benefits. If the termination benefits are not expected to be settled wholly before twelve months after the end of the annual reporting period, the Group measures the termination benefit with present value of future cash payments.

(p) Revenue from contracts with customers

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of estimated returns, trade discounts, volume rebates and other cash incentives paid to customers.

The Group recognizes revenue according to the five stage revenue recognition model (① Identifying the contract→② Identifying performance obligations →③ Determining transaction price→④ Allocating the transaction price to performance obligations →⑤ Recognizing revenue for performance obligations).

The Group generates revenue primarily from sale of display panels. Product revenue is recognized when a customer obtains control over the Group's products, which typically occurs upon shipment or delivery depending on the terms of the contracts with the customer.

The Group includes return option in the sales contract of display panels with its customers and the consideration receivable from the customer is subject to change due to returns. The Group estimates an amount of variable consideration by using the expected value method with which the Group expects to better predict the amount of consideration. The Group includes in the transaction price an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur during the return period when the uncertainty associated with the variable consideration is subsequently resolved. The Group recognizes a refund liability and an asset for its right to recover products from customers if the Group receives consideration from a customer and expects to refund some or all of that consideration to the customer. Sales taxes or value-added taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and are excluded from revenues in the consolidated statement of comprehensive income (loss).

(q) Operating Segments

An operating segment is a component of the Group that: 1) engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the group, 2) whose operating results are reviewed regularly by the Group's chief operating decision maker ("CODM") in order to allocate resources and assess its performance, and 3) for which discrete financial information is available. Management has determined that the CODM of the Group is the Board of Directors. The CODM does not receive and therefore does not review discrete financial information for any component of the Group. Consequently, no operating segment information is included in these consolidated financial statements. Entity wide disclosures of geographic and product revenue information are provided in Note 18 to these consolidated financial statements.

3. Material Accounting Policies, Continued

(r) Finance Income and Finance Costs

Finance income comprises interest income on funds invested (including debt instruments measured at FVOCI), dividend income, gains on disposal of debt instruments measured at FVOCI and changes in fair value of financial instruments at FVTPL. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, gain and losses from financial instruments measured at FVTPL and impairment losses recognized on financial assets. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

(s) Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. The taxable profit is different from the accounting profit for the period since the taxable profit is calculated excluding the temporary differences, which will be taxable or deductible in determining taxable profit (tax loss) of future periods, and non-taxable or non-deductible items from the accounting profit.

(ii) Deferred tax

Deferred tax is recognized, using the asset and liability method, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. Material Accounting Policies, Continued

(s) Income Tax, Continued

The Group recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, except to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that the differences relating to investments in subsidiaries, associates and joint ventures will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period, considering the likelihood of generating taxable income against which temporary differences, unused tax loss carryforwards, and tax credit carryforwards can be utilized. The potential taxable income is estimated based on business plans approved by management, historical experience of taxable income estimates, and tax policies including the transfer pricing of the consolidated entity. Additionally, future taxable income includes the anticipated permanent differences, considering the realization effect of temporary differences consistent with the business plan and the dividend policy of the consolidated entity. The Group recognizes deferred tax assets to the extent that it is probable that sufficient taxable income will be generated in the future, or there are sufficient taxable temporary differences available to utilize unused tax losses, etc.

The Group offsets deferred tax assets and deferred tax liabilities if, and only if the Group has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

(t) Earnings Per Share

The Controlling Company presents basic and diluted earnings per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Controlling Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for the effects of all dilutive potential common shares such as convertible bonds and others.

(u) Accounting standards and Interpretation issued and adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2024.

3. Material Accounting Policies, Continued

(u) Accounting standards and Interpretation issued and adopted by the Group, Continued

(i) Amendments to Korean IFRS 1001 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants

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

(ii) Amendments to Korean IFRS 1007 *Statement of Cash Flows*, Korean IFRS 1107 *Financial Instruments: Disclosures* – Supplier finance arrangements

When applying supplier finance arrangements, an entity shall disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. (See Note 26)

(iii) Amendments to Korean IFRS 1116 *Leases* – Lease Liability in a Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback, a seller-lessee shall determine lease payments or revised lease payments in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not have a significant impact on the financial statements.

(iv) Amendments to Korean IFRS 1001 *Presentation of Financial Statements* – Disclosure of Cryptographic Assets

The amendments require an additional disclosure if an entity holds cryptographic assets, or holds cryptographic assets on behalf of the customer, or issues cryptographic assets. The amendments do not have a significant impact on the financial statements.

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3. Material Accounting Policies, Continued

(v) New standards and interpretations not yet adopted by the Group

The following new accounting standards and interpretations have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Group.

(i) Amendments to Korean IFRS 1021 *Effect of Exchange Rate Fluctuations*, Amendments to Korean IFRS 1101 *First Adoption of International Generally Accepted Accounting Principles Adopted by Korea* – Lack of exchangeability

The amendment requires the entity to disclose the relevant information when an entity estimates a spot exchange rate because the exchangeability between two currencies is lacking. The amendments will take effect in fiscal years beginning on or after January 1, 2025, and will allow for early application. The amendments do not have a significant impact on the financial statements.

(ii) Amendments to Korean IFRS 1109 *Financial Instruments*, Amendments to Korean IFRS 1107 *Financial Instruments: Disclosure*

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

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

(iii) Annual Improvement to Korean IFRS – Volume 11

Annual Improvement to Korean IFRS – Volume 11 shall be effective for fiscal years beginning on or after January 1, 2026, and early application is effective. The amendments are not expected to have a significant impact on the financial statements.

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

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4. Cash and Cash Equivalents and Deposits in Banks

Details of Cash and cash equivalents and deposits in banks as of December 31, 2024 and 2023 are as follows:

(In millions of won)		December 31, 2024	December 31, 2023
Current assets			
Cash and cash equivalents			
Cash	₩	—	3
Deposits (*1)		2,021,640	2,257,519
Total	₩	2,021,640	2,257,522
Deposits in banks			
Time deposits (*2)	₩	600	905,971
Non-current assets			
Deposits in banks			
Deposit for checking account	₩	11	11

(*1) As of December 31, 2024, deposits of ₩158,415 million are classified as assets held for sale.

(*2) As of December 31, 2023, it includes funds deposited under agreements on mutually beneficial cooperation to aid LG Group companies' suppliers, restricted deposits pledged to guarantee the Parent Company and subsidiaries' borrowings and others.

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5. Trade Accounts and Notes Receivable, and Other Accounts Receivable

(a) Details of trade accounts and notes receivable and other accounts receivable as of December 31, 2024 and 2023 are as follows:

(*In millions of won*)	December 31, 2024	December 31, 2023
Trade accounts and notes receivable	₩ 3,624,477	3,218,093
Other accounts receivable		
Non-trade receivables, net	₩ 227,477	112,739
Accrued income, net	22,552	14,246
Subtotal	250,029	126,985
Total	3,874,506	3,345,078

(b) The aging of trade accounts and notes receivable, and other accounts receivable as of December 31, 2024 and 2023 are as follows:

(*In millions of won*)	December 31, 2024			
	Original amount		Allowance for doubtful account	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Not past due	₩ 3,609,870	207,928	(1,369)	(464)
1-15 days past due	15,951	37,722	(14)	(2)
16-30 days past due	4	1,915	—	(1)
31-60 days past due	35	350	—	(3)
More than 60 days past due	—	2,592	—	(8)
Total	₩ 3,625,860	250,507	(1,383)	(478)

(*In millions of won*)	December 31, 2023			
	Original amount		Allowance for doubtful account	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Not past due	₩ 3,212,514	123,919	(932)	(191)
1-15 days past due	3,077	1,357	(1)	—
16-30 days past due	3,435	156	—	(2)
31-60 days past due	—	168	—	(2)
More than 60 days past due	—	1,592	—	(12)
Total	₩ 3,219,026	127,192	(933)	(207)

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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5. Trade Accounts and Notes Receivable, and Other Accounts Receivable, Continued

The movement in the allowance for doubtful account in respect of trade accounts and notes receivable and other accounts receivable for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024		2023	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Beginning balance	₩ 933	207	875	1,778
(Reversal of) bad debt expense	450	271	58	(239)
Write-off	—	—	—	(1,332)
Ending balance	₩ 1,383	478	933	207

6. Other Financial Assets

Details of other financial assets as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Current assets		
Financial assets at fair value through profit or loss		
Derivatives (*1)	₩ 186,676	136,762
Fair value hedging derivatives		
Derivatives (*2)	₩ 99,116	—
Financial assets at amortized cost		
Deposits	₩ 10,429	1,356
Short-term loans	26,098	26,375
Subtotal	₩ 36,527	27,731
Other financial assets		
Lease receivables	₩ 6,302	4,130
Total	₩ 328,621	168,623
Non-current assets		
Financial assets at fair value through profit or loss		
Equity securities	₩ 120,501	87,027
Convertible securities	1,470	3,127
Derivatives (*1)	69,575	32,941
Subtotal	₩ 191,546	123,095
Fair value hedging derivatives		
Derivatives (*2)	₩ 19,982	—
Financial assets at amortized cost		
Deposits	₩ 6,318	17,022
Long-term loans	11,045	33,509
Subtotal	₩ 17,363	50,531
Other financial assets		
Lease receivables	₩ 3,761	—
Total	₩ 232,652	173,626

(*1) The derivatives, which are not designated as hedging instruments, arise from cross currency interest rate swap contracts and others for the purpose of managing currency and interest rate risks associated with foreign currency denominated borrowings and bonds.

(*2) The derivatives, which are designated as hedging instruments, arise from forward exchange contracts for the purpose of managing currency risk associated with advances received in foreign currency.

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7. Inventories

Details of inventories as of December 31, 2024 and 2023 are as follows:

(i) As of December 31, 2024

(In millions of won)	Cost	Valuation allowance	Carrying amount
Finished goods	₩ 995,999	(51,305)	944,694
Work-in-process	1,184,516	(82,655)	1,101,861
Raw materials	477,929	(17,648)	460,281
Supplies	184,869	(20,463)	164,406
Total	₩2,843,313	(172,071)	2,671,242

(ii) As of December 31, 2023

(In millions of won)	Cost	Valuation allowance	Carrying amount
Finished goods	₩ 811,580	(60,805)	750,775
Work-in-process	1,222,991	(77,385)	1,145,606
Raw materials	485,876	(28,520)	457,356
Supplies	199,908	(25,917)	173,991
Total	₩2,720,355	(192,627)	2,527,728

For the years ended December 31, 2024 and 2023, the amount of inventories recognized as expense and reversal of loss on valuation of inventories are as follows:

(In millions of won)	2024	2023
Cost of sales	₩24,039,928	20,985,643
Inventories recognized as expense	24,057,293	21,039,266
Reversal of loss on valuation of inventories	(17,365)	(53,623)

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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8. Investments in Equity Accounted Investees

(a) Details of investments in associates as of December 31, 2024 and 2023, are as follows:

(In millions of won)

Associates	Location	Closing	Date of incorporation	Business	December 31, 2024 Percentage of ownership	December 31, 2024 Carrying amount	December 31, 2023 Percentage of ownership	December 31, 2023 Carrying amount
Paju Electric Glass Co., Ltd.	Paju, South Korea	December	January 2005	Production of glass for display	40%	₩29,479	40%	₩24,200
WooRee E&L Co., Ltd. (*1)	Ansan, South Korea	December	June 2008	Production of LED back light unit packages	—	—	13%	7,106
YAS Co., Ltd. (*1)	Paju, South Korea	December	April 2002	Development and production of deposition equipment for OLEDs	—	—	16%	28,564
AVATEC Co., Ltd. (*1)	Daegu, South Korea	December	August 2000	Processing and sales of glass for display	—	—	14%	20,871
Arctic Sentinel, Inc.	Los Angeles, U.S.A.	March	June 2008	Development and production of tablet for kids	10%	—	10%	—
Cynora GmbH	Bruchsal, Germany	December	March 2003	Development of organic light emitting materials for displays and lighting devices	10%	—	10%	—
Material Science Co., Ltd.(*2)	Seoul, South Korea	December	January 2014	Development, production, and sales of materials for display	14%	3,698	16%	3,588
Total						₩33,177		₩84,329

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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8. Investments in Equity Accounted Investees, Continued

(*1) For the year ended December 31, 2024, due to loss of significant influence, it has been reclassified from Investments in associates to financial assets at fair value through profit or loss.

(*2) For the year ended December 31, 2024, due to the investee's disposal of treasury shares, the Parent Company's percentage of ownership decreased from 16% to 14%.

Although the Parent Company's respective share interests in Arctic Sentinel, Inc., Cynora GmbH and Material Science Co., Ltd. are below 20%, the Parent Company is able to exercise significant influence through its right to appoint one or more directors to the board of directors of each investee. Accordingly, the investments in these investees have been accounted for using the equity method.

Dividend income recognized from associates for the year ended December 31, 2024 amounted to ₩200 million (dividend income recognized from associates for the year ended December 31, 2023 : ₩15,200 million).

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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8. Investments in Equity Accounted Investees, Continued

(b) Summary of financial information as of and for the years ended December 31, 2024 and 2023 of the significant associate is as follows:

Paju Electric Glass Co., Ltd.

(In millions of won)	December 31, 2024	December 31, 2023
Total assets	₩ 123,520	109,992
Current assets	110,055	94,705
Non-current assets	13,465	15,287
Total liabilities	48,088	47,875
Current liabilities	47,418	47,459
Non-current liabilities	670	416
Revenue	277,093	184,880
Profit (loss) for the year	10,015	(2,655)
Other comprehensive income (loss)	3,301	(4,894)
Total comprehensive loss	13,316	(7,549)

(c) Reconciliation from financial information of the significant associate to its carrying amount in the consolidated financial statements as of December 31, 2024 and 2023 is as follows:

(i) As of December 31, 2024

(In millions of won)

Company	Net asset	Ownership interest	Net asset (applying ownership interest)	Intra-group transaction	Carrying amount
Paju Electric Glass Co., Ltd.	₩75,432	40%	30,173	(694)	29,479

(ii) As of December 31, 2023

(In millions of won)

Company	Net asset	Ownership interest	Net asset (applying ownership interest)	Intra-group transaction	Carrying amount
Paju Electric Glass Co., Ltd.	₩62,117	40%	24,847	(647)	24,200

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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8. Investments in Equity Accounted Investees, Continued

(d) Carrying amount of other associates, in aggregate, as of December 31, 2024 and 2023 is as follows:

(i) As of December 31, 2024

(In millions of won)

		Net profit (loss) of associates (applying ownership interest)		
	Book value	**Profit (loss) for the year**	**Other comprehensive income (loss)**	**Total comprehensive income (loss)**
Other associates	₩ 3,698	1,455	1,912	3,367

(ii) As of December 31, 2023

(In millions of won)

		Net profit (loss) of associates (applying ownership interest)		
	Book value	**Profit (loss) for the year**	**Other comprehensive income (loss)**	**Total comprehensive income (loss)**
Other associates	₩60,129	(1,634)	(722)	(2,356)

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8. Investments in Equity Accounted Investees, Continued

(e) Changes in investments in associates accounted for using the equity method for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

		2024						
Company		**January 1**	**Disposals and others**	**Dividends received**	**Equity income on investments**	**Other comprehensive income**	**Other gain**	**December 31**
Associates	Paju Electric Glass Co., Ltd.	₩24,200	—	—	3,957	1,322	—	29,479
	Others	60,129	(60,581)	(200)	1,455	1,912	983	3,698
Total		₩84,329	(60,581)	(200)	5,412	3,234	983	33,177

(In millions of won)

		2023					
Company		**January 1**	**Dividends received**	**Equity loss on investments**	**Other comprehensive loss**	**Other loss**	**December 31**
Associates	Paju Electric Glass Co., Ltd.	₩ 42,784	(15,200)	(1,427)	(1,957)	—	24,200
	Others	66,335	—	(1,634)	(722)	(3,850)	60,129
Total		₩109,119	(15,200)	(3,061)	(2,679)	(3,850)	84,329

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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9. Property, Plant and Equipment

(a) Changes in property, plant and equipment for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)

	Land	Buildings and structures	Machinery and equipment	Furniture and fixtures	Construction-in-progress (*1)	Right-of-use asset	Others (*2)	Total
Acquisition cost as of January 1, 2024	₩472,813	10,192,281	52,107,890	942,376	7,571,687	245,149	1,448,688	72,980,884
Accumulated depreciation as of January 1, 2024	—	(4,715,087)	(43,466,025)	(775,953)	—	(119,804)	(1,062,377)	(50,139,246)
Accumulated impairment loss as of January 1, 2024	—	(447,003)	(1,860,182)	(13,285)	(285,626)	(6,099)	(29,111)	(2,641,306)
Book value as of January 1, 2024	₩472,813	5,030,191	6,781,683	153,138	7,286,061	119,246	357,200	20,200,332
Additions	—	—	—	—	1,499,468	33,865	—	1,533,333
Depreciation (*3)	—	(444,982)	(3,424,197)	(80,195)	—	(68,445)	(305,354)	(4,323,173)
Disposals	(47,344)	(28,598)	(132,473)	(178)	—	—	(52,377)	(260,970)
Impairment loss (*4)	—	(28)	(58,660)	(1,275)	(27,000)	—	(7,249)	(94,212)
Others (*5)	873	948,851	4,186,807	42,191	(5,565,372)	—	385,812	(838)
Government grants received	—	—	(2,307)	—	—	—	—	(2,307)
Effect of movements in exchange rates	—	265,665	350,074	7,520	106,339	23,058	9,741	762,397
Classified as held for sale	₩ —	(545,867)	(24,526)	(4,050)	(9,778)	(18,791)	(8,677)	(611,689)
Book value as of December 31, 2024	₩426,342	5,225,232	7,676,401	117,151	3,289,718	88,933	379,096	17,202,873
Acquisition cost as of December 31, 2024	₩426,342	10,529,816	53,029,839	925,048	3,581,525	225,250	1,570,421	70,288,241
Accumulated depreciation as of December 31, 2024	₩ —	(4,813,622)	(43,403,177)	(793,522)	—	(129,395)	(1,161,523)	(50,301,239)
Accumulated impairment loss as of December 31, 2024	—	(490,962)	(1,950,261)	(14,375)	(291,807)	(6,922)	(29,802)	(2,784,129)

(*1) As of December 31, 2024, construction-in-progress mainly relates to construction of manufacturing facilities.
(*2) Others mainly consist of tools and equipment.
(*3) The Group has classified the depreciation as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses. It includes capitalized development costs.
(*4) Impairment losses are recognized for the difference between the carrying amount and the recoverable amount of property, plant and equipment.
(*5) Others mainly represent the reclassification of construction-in-progress to other property, plant and equipment.

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9. Property, Plant and Equipment, Continued

(ii) 2023

(In millions of won)

	Land	Buildings and structures	Machinery and equipment	Furniture and fixtures	Construction-in-progress (*1)	Right-of-use asset	Others (*2)	Total
Acquisition cost as of January 1, 2023	₩476,045	8,699,292	50,722,745	902,477	10,145,865	271,761	1,299,892	72,518,077
Accumulated depreciation as of January 1, 2023	—	(4,348,201)	(42,744,139)	(719,862)	—	(151,550)	(962,598)	(48,926,350)
Accumulated impairment loss as of January 1, 2023	—	(447,145)	(1,794,407)	(13,397)	(356,155)	(7,553)	(26,137)	(2,644,794)
Book value as of January 1, 2023	₩476,045	3,903,946	6,184,199	169,218	9,789,710	112,658	311,157	20,946,933
Additions	—	—	—	—	3,392,876	74,611	—	3,467,487
Depreciation (*3)	—	(376,264)	(2,837,242)	(75,727)	—	(68,349)	(279,200)	(3,636,782)
Disposals	(330)	(758)	(506,420)	(1,896)	—	—	(43,368)	(552,772)
Impairment loss(*4)	—	8	(53,513)	(6)	—	—	(6,554)	(60,065)
Others (*5)	(2,902)	1,494,070	3,963,010	60,585	(5,900,151)	—	374,182	(11,206)
Government grants received	—	—	(7,417)	—	—	—	—	(7,417)
Effect of movements in exchange rates	—	9,189	39,066	964	3,626	326	983	54,154
Book value as of December 31, 2023	₩472,813	5,030,191	6,781,683	153,138	7,286,061	119,246	357,200	20,200,332
Acquisition cost as of December 31, 2023	₩472,813	10,192,281	52,107,890	942,376	7,571,687	245,149	1,448,688	72,980,884
Accumulated depreciation as of December 31, 2023	₩ —	(4,715,087)	(43,466,025)	(775,953)	—	(119,804)	(1,062,377)	(50,139,246)
Accumulated impairment loss as of December 31, 2023	₩ —	(447,003)	(1,860,182)	(13,285)	(285,626)	(6,099)	(29,111)	(2,641,306)

(*1) As of December 31, 2023, construction-in-progress mainly relates to construction of manufacturing facilities.
(*2) Others mainly consist of tools and equipment.
(*3) The Group has classified the depreciation as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses. It includes capitalized development costs.
(*4) Impairment losses are recognized for the difference between the carrying amount and the recoverable amount of property, plant and equipment.
(*5) Others mainly represent the reclassification of construction-in-progress to other property, plant and equipment.

9. Property, Plant and Equipment, Continued

(b) Capitalized borrowing costs and capitalization rate for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Capitalized borrowing costs	₩41,826	258,168
Capitalization rate	5.64%	5.18%

(c) The Group provides a portion of property, plant and equipment as an operating lease. For the year ended December 31, 2024, rental income from property, plant and equipment is ₩1,755 million (2023: ₩2,271 million).

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10. Intangible Assets

(a) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)	Intellectual property rights	Software	Memberships	Development costs	Construction-in-progress	Technology	Goodwill	Total
Acquisition cost as of January 1, 2024	₩ 2,189,071	1,403,157	23,463	2,295,468	33,036	12,763	109,115	6,066,073
Accumulated amortization as of January 1, 2024	(1,299,655)	(1,160,702)	—	(1,509,575)	—	(11,574)	—	(3,981,506)
Accumulated impairment loss as of January 1, 2024	(60,637)	(19,001)	(1,541)	(144,432)	—	(43)	(84,958)	(310,612)
Book value as of January 1, 2024	₩ 828,779	223,454	21,922	641,461	33,036	1,146	24,157	1,773,955
Additions - internally generated	—	—	—	548,224	—	—	—	548,224
Additions - external purchases	49,818	—	—	—	110,616	—	—	160,434
Amortization (*1)	(188,058)	(122,539)	—	(546,377)	—	(164)	—	(857,138)
Disposals	—	(187)	(6,433)	—	—	—	—	(6,620)
Impairment loss (*2)	(1,931)	(4,517)	—	(66,028)	—	—	—	(72,476)
Others (*3)	—	128,986	—	—	(128,148)	—	—	838
Effect of movements in exchange rates	1,224	5,568	73	—	24	—	5,076	11,965
Classified as held for sale	—	(775)	—	—	—	—	—	(775)
Book value as of December 31, 2024	₩ 689,832	229,990	15,562	577,280	15,528	982	29,233	1,558,407
Acquisition cost as of December 31, 2024	₩ 2,275,735	1,482,559	15,562	2,357,041	15,528	12,763	114,191	6,273,379
Accumulated amortization as of December 31, 2024	₩(1,525,276)	(1,228,377)	—	(1,715,408)	—	(11,738)	—	(4,480,799)
Accumulated impairment loss as of December 31, 2024	₩ (60,627)	(24,192)	—	(64,353)	—	(43)	(84,958)	(234,173)

(*1) The Group has classified the amortization as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses.
(*2) The Group recognized an impairment loss amounting to ₩66,028 million for development projects which are not likely to generate probable future economic benefits.
(*3) Others mainly represent the reclassification of construction-in-progress to intangible assets.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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10. Intangible Assets, Continued

(ii) 2023

(In millions of won)	Intellectual property rights	Software	Memberships	Development costs	Construction-in-progress	Technology	Goodwill	Total
Acquisition cost as of January 1, 2023	₩ 2,074,083	1,340,637	27,170	2,016,477	28,169	12,763	108,519	5,607,818
Accumulated amortization as of January 1, 2023	(1,115,014)	(1,108,459)	—	(1,358,446)	—	(11,411)	—	(3,593,330)
Accumulated impairment loss as of January 1, 2023	(61,413)	(20,605)	(1,700)	(92,812)	—	(43)	(84,958)	(261,531)
Book value as of January 1, 2023	₩ 897,656	211,573	25,470	565,219	28,169	1,309	23,561	1,752,957
Additions – internally generated	—	—	—	493,608	—	—	—	493,608
Additions – external purchases	118,344	—	—	—	117,443	—	—	235,787
Amortization (*1)	(187,819)	(105,285)	—	(363,162)	—	(163)	—	(656,429)
Disposals	(202)	(396)	(3,796)	—	—	—	—	(4,394)
Impairment loss (*2)	(1,633)	(425)	242	(52,775)	—	—	—	(54,591)
Others (*3)	—	115,275	—	(1,429)	(112,568)	—	—	1,278
Effect of movements in exchange rates	2,433	2,712	6	—	(8)	—	596	5,739
Book value as of December 31, 2023	₩ 828,779	223,454	21,922	641,461	33,036	1,146	24,157	1,773,955
Acquisition cost as of December 31, 2023	₩ 2,189,071	1,403,157	23,463	2,295,468	33,036	12,763	109,115	6,066,073
Accumulated amortization as of December 31, 2023	₩(1,299,655)	(1,160,702)	—	(1,509,575)	—	(11,574)	—	(3,981,506)
Accumulated impairment loss as of December 31, 2023	₩ (60,637)	(19,001)	(1,541)	(144,432)	—	(43)	(84,958)	(310,612)

(*1) The Group has classified the amortization as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses.

(*2) The Group recognized an impairment loss amounting to ₩52,775 million for development projects which are not likely to generate probable future economic benefits.

(*3) Others mainly represent the reclassification of construction-in-progress to intangible assets.

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10. Intangible Assets, Continued

(b) The book value and remaining amortization period of development costs and intellectual property rights as of December 31, 2024 and 2023 are as follows:

Development costs

(i) As of December 31, 2024

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period(*)
Development completed	TV	₩ 49,705	0.8
	IT	49,615	0.7
	Mobile and others	255,128	2.7
	Subtotal	₩354,448	
Development in process	TV	₩ 14,802	—
	IT	37,737	—
	Mobile and others	170,293	—
	Subtotal	₩222,832	
	Total	₩577,280	

(*) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each product has a different remaining amortization period.

(ii) As of December 31, 2023

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period(*)
Development completed	TV	₩ 43,956	0.8
	IT	63,049	0.6
	Mobile and others	190,487	3.0
	Subtotal	₩297,492	
Development in process	TV	₩ 46,368	—
	IT	175,023	—
	Mobile and others	122,578	—
	Subtotal	₩343,969	
	Total	₩641,461	

(*) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each product has a different remaining amortization period.

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10. Intangible Assets, Continued

Intellectual property rights

(i) As of December 31, 2024

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*1)
Patent	Direct additions	₩237,364	7.0
	Licenses agreement (*2)	449,617	5.1
	Subtotal	₩686,981	
Other		2,851	3.7
	Total	₩689,832	

(*1) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each patent has a different remaining amortization period.
(*2) The Group's rights under contracts with the patent company.

(ii) As of December 31, 2023

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*1)
Patent	Direct additions	₩214,634	7.1
	Licenses agreement (*2)	611,801	5.5
	Subtotal	₩826,435	
Other		2,344	3.6
	Total	₩828,779	

(*1) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each patent has a different remaining amortization period.
(*2) The Group's rights under contracts with the patent company.

(c) The total amount of research and development expenditure recognized as an expense for the year ended December 31, 2024 is ₩1,447,706 million (2023: ₩1,379,653 million).

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10. Intangible Assets, Continued

(d) Details of impairment assessment on CGU

As of December 31, 2024, the Group's cash-generating units consist of Display CGU, Display (Large OLED) CGU and Display (AD PO) CGU. As of December 31, 2024, the Group performed impairment assessment for Display CGU, Display (Large OLED) CGU and Display (AD PO) CGU. All the goodwill balance as of December 31, 2024 is allocated to the Display CGU.

The recoverable amount of CGU is determined based on its value in use. Value in use is calculated using the estimated cash flow based on 5-year business plan approved by management. The estimated revenue and operating expenditures of the Group's products used in the forecast was determined considering external sources and the Group's historical experience. Management estimated the future cash flows based on its past performance and forecasts on market growth. The key assumptions used in the estimation of value in use for Display CGU include revenue and operating expenditures for the forecast period and discount rate. Terminal growth rate and the discount rate used in the estimation of value in use are as follows.

Classification	Pre-tax discount rate(*)	Post-tax discount rate(*)	Terminal growth rate
Display CGU	9.3%	7.6%	1.0%
Display (Large OLED) CGU	9.5%	7.6%	1.0%
Display (AD PO) CGU	9.9%	7.6%	0.0%

(*) The discount rate was calculated using the weighted average cost of equity capital and debt and the beta of equity capital was calculated as the average of seven global listed companies in the same industry and the Group. Cost of debt was calculated using the yield rate of non-guaranteed corporate bond considering the Group's credit rating and debt ratio was determined using the average of the debt ratios of the seven global listed companies in the same industry and the Group. The Group calculates the value in use of the CGU using post-tax cash flows and a post-tax discount rate, and the result is not significantly different from the value in use calculated using pre-tax cash flows and pre-tax discount rate.

As a result of impairment assessment for Display CGU to which goodwill is allocated the recoverable amount exceeded its carrying amount by ₩1,250,028 million. Management has identified that a reasonably possible change in certain key assumption could cause the carrying amount to exceed the recoverable amount. The value in use determined for this CGU is sensitive to the discount rate used in the discounted cash flow model. Specifically, the discount rate would need to increase by 0.98% (holding all the other assumptions constant) for the estimated recoverable amount to be equal to the carrying amount.

10. Intangible Assets, Continued

(d) Impairment assessment on CGU, Continued

On the other hand, as a result of impairment assessment for Display (Large OLED) CGU and Display (AD PO) CGU, the recoverable amount exceeded its carrying amount by ₩1,463,528 million and ₩2,734,516 million, respectively.

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11. Investment Property

(a) Changes in investment properties for the years ended December 31, 2024 and 2023 are as follows:

(*In millions of won*)

	2024	2023
Beginning balance	₩32,995	28,269
Transfer from property, plant and equipment	—	9,928
Depreciation	(5,084)	(4,962)
Others	—	(240)
Ending balance	₩27,911	32,995

(b) For the year ended December 31, 2024, rental income from investment property is ₩8,891 million (2023: ₩5,478 million) and rental cost is ₩5,468 million (2023: ₩5,429 million).

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12. Financial Liabilities

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

(In millions of won)	December 31, 2024	December 31, 2023
Current		
Short-term borrowings	₩ 969,595	1,875,635
Current portion of long-term borrowings	4,907,390	2,934,693
Current portion of bonds	611,882	369,716
Derivatives (*1)	3,762	26,193
Fair value hedging derivatives (*2)	—	7,392
Lease liabilities	34,821	48,666
Total	₩ 6,527,450	5,262,295
Non-current		
Long-term borrowings	₩ 7,535,290	10,230,658
Bonds	525,957	1,118,427
Derivatives (*1)	7,006	37,333
Fair value hedging derivatives (*2)	—	28,660
Lease liabilities	23,154	24,698
Total	₩ 8,091,407	11,439,776

(*1) The derivatives, which are not designated as hedging instruments, arise from cross currency interest rate swap contracts and others for the purpose of managing currency and interest rate risks associated with foreign currency denominated borrowings and bonds.
(*2) The derivatives, which are designated as hedging instruments, arise from forward exchange contracts for the purpose of managing currency risk associated with advances received in foreign currency.

(b) Details of short-term borrowings as of December 31, 2024 and 2023 are as follows:

(*In millions of won*)

Lender	Description	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
Standard Chartered Bank Korea Limited and others	Working capital and others	3.50 ~ 6.41	₩ 969,595	1,875,635

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12. Financial Liabilities, Continued

(c) Details of Korean won denominated long-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Lender	Description	Latest Maturity date	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
LG Electronics Inc.	Operating capital	March 2026	6.06	₩ 1,000,000	1,000,000
Korea Development Bank and others	Facility capital and others	March 2025 ~ March 2030	2.41 ~ 5.74	3,668,538	3,490,967
Less: current portion of long-term borrowings				(1,861,000)	(776,000)
Total				₩ 2,807,538	3,714,967

(d) Details of foreign currency denominated long-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won, USD and CNY)

Lender	Description	Latest Maturity date	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
KEB Hana Bank and others	Facility capital and others	January 2025 ~ July 2029	2.13 ~ 7.06	₩ 7,774,142	8,674,384
Foreign currency equivalent of foreign currency borrowings				USD 2,528	USD 3,222
				CNY 20,164	CNY 24,991
Less: current portion of long-term borrowings				(3,046,390)	(2,158,693)
Total				₩ 4,727,752	6,515,691

12. Financial Liabilities, Continued

(e) Details of bonds issued and outstanding as of December 31, 2024 and 2023 are as follows:

(In millions of won and USD)

	Maturity	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
Korean won denominated bonds at amortized cost (*1)				
Publicly issued bonds	February 2025 ~ February 2027	2.79~3.66	₩ 655,000	1,025,000
Privately issued bonds	January 2025 ~ January 2026	7.20~7.25	337,000	337,000
Less: discount on bonds			(705)	(2,120)
Less: current portion			(611,882)	(369,716)
Subtotal			₩ 379,413	990,164
Foreign currency denominated bonds at amortized cost (*2)				
Privately issued bonds	April 2026	6.52	₩ 147,000	128,940
Foreign currency equivalent of foreign currency denominated bonds			USD 100	USD 100
Less: discount on bonds			(456)	(677)
Less: foreign currency equivalent of discount on bonds of foreign currency denominated bonds			USD (0)	USD (1)
Subtotal			₩ 146,544	128,263
Total			₩ 525,957	1,118,427

(*1) Principal of the won denominated bonds is to be repaid at maturity and interests are paid quarterly.
(*2) Principal of the foreign currency denominated bonds is to be repaid at maturity and interests are paid quarterly.

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13. Post-Employment Benefits

(i) Defined benefit plans

The Parent Company and certain subsidiaries' defined benefit plans provide a lump-sum payment to an employee based on final salary rates and length of service at the time the employee leaves the Parent Company or certain subsidiaries.

The defined benefit plans expose the Group to actuarial risks, such as the risk associated with expected periods of service, interest rate risk, market (investment) risk, and others.

(a) Details of net defined benefit liabilities (defined benefit assets) recognized as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	₩ 1,444,252	1,491,146
Fair value of plan assets	(1,603,911)	(1,897,025)
Total	₩ (159,659)	(405,879)
Defined benefit liabilities, net	₩ 1,093	1,559
Defined benefit assets, net	₩ (160,752)	(407,438)

(b) Changes in the present value of the defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Defined benefit obligations at January 1	₩1,491,146	1,602,697
Current service cost	148,868	173,879
Interest cost	67,426	83,793
Remeasurements (before tax)	142,422	(65,505)
Benefit payments	(399,549)	(287,100)
Net transfers from (to) related parties	(5,975)	(16,551)
Others	(86)	(67)
Defined benefit obligations at December 31	₩1,444,252	1,491,146

Weighted average remaining maturity of defined benefit obligations as of December 31, 2024 is 9.98 years (December 31, 2023 : 12.20 years).

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13. Post-Employment Benefits, Continued

(c) Changes in fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Fair value of plan assets at January 1	₩1,897,025	2,048,687
Interest income	86,280	107,735
Remeasurements (before tax)	(11,781)	(870)
Contributions by employer directly to plan assets	1,499	2,219
Benefit payments	(369,112)	(260,528)
Net transfers from (to) related parties	—	(218)
Fair value of plan assets at December 31	₩1,603,911	1,897,025

The Group is considering the amount of recent contributions and the size of plan assets when estimating the contributions expected to be paid in the fiscal year commencing after the end of the reporting period.

(d) Details of plan assets as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Time deposits in banks	₩1,603,911	1,897,025

As of December 31, 2024, the Group maintains the plan assets primarily with Shinhan Bank , KEB Hana Bank and others.

(e) Details of expenses related to defined benefit plans recognized in profit or loss for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Current service cost	₩148,868	173,879
Net interest cost	(18,854)	(23,942)
Total(*)	₩130,014	149,937

(*) The total cost related to the defined benefit plans includes capitalized amounts of ₩9,885 million (2023: ₩15,085 million).

Details of expenses are recognized in the consolidated statements of comprehensive income (loss) as follows:

(In millions of won)	2024	2023
Cost of sales	₩ 89,052	99,141
Selling expenses	6,201	7,138
Administrative expenses	14,271	16,865
Research and development expenses	10,605	11,708
Total(*)	₩120,129	134,852

(*) The total cost recognized in the comprehensive income statement related to defined benefit plans excludes capitalized amounts of ₩9,885 million (2023: ₩15,085 million).

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13. Post-Employment Benefits, Continued

(f) Details of remeasurements of the net defined benefit liabilities (assets) included in other comprehensive income (loss) for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Balance at January 1	₩ 47,087	(2,900)
Remeasurements		
Actuarial profit or loss arising from:		
Experience adjustment	(21,525)	66,461
Demographic assumptions	7,487	(85)
Financial assumptions	(128,384)	(871)
Return on plan assets	(11,781)	(870)
Group's share of associates regarding remeasurements	(85)	170
Subtotal	₩(154,288)	64,805
Income tax	₩ 22,368	(14,818)
Balance at December 31	₩ (84,833)	47,087

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13. Post-Employment Benefits, Continued

(g) Details of principal actuarial assumptions as of December 31, 2024 and 2023 (expressed as weighted averages) are as follows:

	December 31, 2024	December 31, 2023
Expected rate of salary increase	4.0%	4.0%
Discount rate for defined benefit obligations	3.9%	4.6%

(h) Reasonably possible changes to respective relevant actuarial assumptions would have affected the defined benefit obligations by the following amounts as of December 31, 2024:

(In millions of won)	Defined benefit obligations	
	1% increase	1% decrease
Discount rate for defined benefit obligations	₩(127,037)	146,746
Expected rate of salary increase	151,241	(132,836)

(ii) Defined contribution plans

The amount recognized as an expense in relation to the defined contribution plan in 2024 is ₩19,057 million (2023: ₩8,534 million).

14. Provisions

Changes in provisions for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)	Litigation	Warranties (*)	Others	Total
Beginning balance	₩ 1,806	173,795	5,880	181,481
Additions	5,673	113,689	117	119,479
Usage	—	(134,801)	—	(134,801)
Ending balance	₩ 7,479	152,683	5,997	166,159
Current	₩ 7,479	91,775	5,997	105,251
Non-current	₩ —	60,908	—	60,908

(*) The Group provides warranty on defective products for warranty periods after sales. The provision is calculated based on the assumption of expected number of warranty claims and costs per claim considering historical experience.

(ii) 2023

(In millions of won)	Litigation	Warranties (*)	Others	Total
Beginning balance	₩ 1,680	249,368	8,432	259,480
Additions (reversal)	126	101,846	(2,552)	99,420
Usage	—	(177,419)	—	(177,419)
Ending balance	₩ 1,806	173,795	5,880	181,481
Current	₩ 1,806	109,990	5,880	117,676
Non-current	₩ —	63,805	—	63,805

(*) The Group provides warranty on defective products for warranty periods after sales. The provision is calculated based on the assumption of expected number of warranty claims and costs per claim considering historical experience.

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15. Contingent Liabilities and Commitments

(a) Legal Proceedings

Anti-trust litigations

The Group and other LCD panel manufacturers have been sued by individual claimants on allegations of violating EU competition laws. While the Group continues its vigorous defense of this pending proceeding. As of December 31, 2024, the Group cannot predict the final outcomes of the lawsuits that have been filed.

Others

The Group is involved in various lawsuits and disputes in addition to the pending proceeding described above. The Group cannot reliably estimate the timing and amount of outflows of resources embodying economic benefits relating to the disputes.

(b) Commitments

Factoring and securitization of accounts receivable

The Parent Company has discount agreements with Korea Development Bank and other banks for accounts receivable related to export sales transactions with its subsidiary, up to USD 1,000 million (₩ 1,470,000 million). As of December 31, 2024, there is no discounted accounts receivable that have not yet matured in connection with these agreements. In relation to the above agreements, the financial institutions have the recourse for accounts receivable that are past due.

The Group has assignment agreements with Standard Chartered Bank and other banks for accounts receivable related to domestic and export sales transactions, up to ₩4,483,500 million. As of December 31, 2024, the amount of the accounts receivable assigned that have not matured in connection with these agreements is ₩1,314,003 million. In relation to the above agreements, the financial institutions do not have the right of recourse for accounts receivable that are past due.

15. Contingent Liabilities and Commitments, Continued

Loan commitment

As of December 31, 2024, the Group has entered into agreements with Hana Bank and other banks for credit lines and opening of letter of credits up to ₩3,544,726 million.

Payment guarantees

The Parent Company received payment guarantees of USD 900 million (₩1,323,000 million) from KB Kookmin Bank and other banks for advances received related to the long-term supply agreements.

The Group is provided with the guarantees for the borrowings amounting to USD 1,025 million (₩ 1,506,750 million) by the Export-Import Bank of Korea and Korea Trade Insurance Corporation.

The Group has entered into guarantee agreements with Seoul Guarantee Insurance Co., Ltd., China Construction Bank Corporation and other banks up to ₩2,021 million, CNY 913 million (₩183,760 million), JPY 900 million (₩8,428 million), VND 76,157 million (₩4,394 million), and USD 0.2 million (₩269 million) for the payment of consumption tax, import value-added tax, customs duties, and electricity charges.

Patent and License agreements

As of December 31, 2024, the Group has patent license agreements with Hitachi Display, Ltd. and others in relation to its LCD business and patent license agreements with Universal Display Corporation and others in relation to its OLED business. Also, as of December 31, 2024, the Group has a trademark license agreement with LG Corp. and other license agreements with other companies for patents, trademarks and other intellectual property rights.

Long-term Supply Agreement

As of December 31, 2024, in connection with long-term supply agreements with customers, the Parent Company recognized advances received amounting to USD 750 million (₩1,102,500 million). The advances received will be used to offset against accounts receivable arising from future product sales after a certain period of time from the date of receipt. In relation to this, the Parent Company received payment guarantees of USD 900 million (₩1,323,000 million) from KB Kookmin Bank and other banks (see note 15(b) payment guarantees).

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15. Contingent Liabilities and Commitments, Continued

Collateral

Details of collateral provided by the Group are as follows:

(In millions of won and CNY)

Collateral	Carrying amount	Maximum bond amount	Secured creditor	Collateral borrowings amount
Property, plant and equipment and others	₩437,583	1,200,000	LG Electronics Inc.	1,000,000
Property, plant and equipment and others	67,974	326,400	Korea Development Bank and others	136,000
Property, plant and equipment and others (*)	237,283	780,000	Korea Development Bank and others	650,000
Property, plant and equipment and others	746,738	—	China Construction Bank Corporation and others	CNY 6,000

(*) The carrying amount of collateral amounting to ₩237,283 million includes the collateral of ₩67,974 million for collateralized borrowings of ₩136,000 million from Korea Development Bank and other banks.

Commitments for asset acquisition

The amount committed to acquire property, plant, equipment and intangible assets not recognized on the financial statements as of December 31, 2024 is ₩465,422 million.

16. Share Capital, Share Premium and Reserves

(a) Share capital and Share Premium

The total number of shares to be issued by the Parent Company is 500,000,000 shares, the number of shares issued is 500,000,000 shares (December 31, 2023: 357,815,700 shares), and the par value per share is ₩5,000.

The Parent Company conducted a paid-in capital increase as below based on the resolution of the board of directors on December 18, 2023, and the newly issued shares were listed on the Korea Exchange (KRX) on March 26, 2024.

With the new shares of common stock, the share capital increased by ₩710,921 million to ₩2,500,000 million.

Classification	Description
Purpose	Funding for capital and operating expenditures and repayment of debts
Type of shares issued	Common stock
Number of shares issued	142,184,300 shares
The amount per shares	₩9,090

Capital surplus as of December 31, 2024 and 2023 are as follows:

(In millions of won)

		December 31, 2024	December 31, 2023
Share premium	₩	2,821,006	2,251,113
Other capital surplus		(47,419)	—
Total	₩	2,773,587	2,251,113

(b) Reserves

Reserves consist mainly of the following:

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of overseas subsidiaries and others.

Other comprehensive income (loss) from associates

The other comprehensive income (loss) from associates comprises the amount related to change in equity of investments in equity accounted investees.

Other comprehensive income (loss) held for sale

The other comprehensive income (loss) held for sale comprises the translation reserve from the disposal groups held for sale.

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16. Share Capital, Share Premium and Reserves, Continued

Reserves as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	December 31, 2024	December 31, 2023
Foreign currency translation differences	₩ 1,025,319	548,792
Other comprehensive loss from associates	(29,496)	(32,816)
Other comprehensive income held for sale	291,363	—
Total	₩ 1,287,186	515,976

The movement in reserves for the years ended December 31, 2024 and 2023 are as follows:

	Foreign currency translation differences	Other comprehensive income (loss) from associates (excluding remeasurements)	Other comprehensive income (loss) held for sale	Total
January 1, 2023	₩ 509,620	(29,992)	—	479,628
Change in reserves	39,172	(2,824)	—	36,348
December 31, 2023	₩ 548,792	(32,816)	—	515,976
January 1, 2024	₩ 548,792	(32,816)	—	515,976
Change in reserves	476,527	3,320	291,363	771,210
December 31, 2024	₩ 1,025,319	(29,496)	291,363	1,287,186

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17. Revenue

Details of revenue for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Sales of goods	₩ 26,455,920	21,254,395
Royalties(*)	60,638	16,256
Others(*)	98,789	60,168
Total	₩ 26,615,347	21,330,819

(*) It includes license revenue and rental income recognized over the period.

For the year ended December 31, 2024, the revenue recognized by satisfying performance obligation for the amount received from the customer in prior reporting periods is ₩589,055 million.

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18. Information about geographical areas and products

Details of information of geographical areas and products for the years ended December 31, 2024, and 2023 are as follows:

(a) Revenue by geography (Customer based)

(In millions of won)

Geography	2024	2023
Domestic	₩ 1,007,200	633,529
Foreign		
China	18,150,480	14,704,357
Asia (excluding China)	3,228,369	2,397,980
North America	2,282,754	2,079,628
Europe	1,946,544	1,515,325
Subtotal	₩25,608,147	20,697,290
Total	₩26,615,347	21,330,819

Revenue from Customer A and Customer B amount to ₩14,281,844 million and ₩3,767,278 million, respectively, for the year ended December 31, 2024 (the year ended December 31, 2023: ₩11,119,769 million and ₩ 3,371,229 million, respectively). The aggregated revenues from the Group's top ten customers accounted for 89% of revenue for the year ended December 31, 2024 (the year ended December 31, 2023: 87%).

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18. Information about geographical areas and products, Continued

(b) Non-current assets by geography

(In millions of won)

Geography	December 31, 2024 Property, plant and equipment	December 31, 2024 Intangible assets	December 31, 2024 Investment Property	December 31, 2023 Property, plant and equipment	December 31, 2023 Intangible assets	December 31, 2023 Investment Property
Domestic	₩11,913,201	1,485,876	27,911	13,583,136	1,683,116	32,995
Foreign						
China	2,099,653	16,792	—	3,358,395	32,009	—
Vietnam	3,181,152	41,574	—	3,244,729	31,472	—
Others	8,867	14,165	—	14,072	27,358	—
Subtotal	₩ 5,289,672	72,531	—	6,617,196	90,839	—
Total	₩17,202,873	1,558,407	27,911	20,200,332	1,773,955	32,995

(c) Revenue by type of products and services

(In millions of won)

	2024	2023
TV	₩ 5,972,637	4,331,474
IT	9,419,615	7,853,034
Mobile and others(*)	8,942,349	7,146,998
AUTO	2,280,746	1,999,313
Total(*)	₩26,615,347	21,330,819

(*) This includes royalties and other revenue.

For the year ended December 31, 2024, the revenue from OLED products comprised 55% (for the year ended December 31, 2023 : 48%) of the total revenue.

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19. The Nature of Expenses

The classification of expenses by nature for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Changes in inventories	₩ (143,513)	345,190
Purchases of raw materials	12,973,989	10,810,985
Depreciation and amortization	5,125,637	4,213,742
Outsourcing	1,159,520	922,565
Labor	3,714,001	3,439,608
Supplies and others	987,265	938,568
Utility	1,397,669	1,193,025
Fees and commissions	740,863	704,763
Shipping	172,081	124,770
Advertising	67,092	76,404
Warranty	113,689	101,846
Travel	53,244	66,201
Taxes and dues	135,982	129,784
Others	678,424	773,532
Total(*)	₩27,175,943	23,840,983

(*) Total expenses consist of cost of sales, selling, administrative, research and development expenses.

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20. Selling and Administrative Expenses

Details of selling and administrative expenses for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Salaries	₩ 579,784	372,966
Expenses related to defined benefit plans	22,596	24,822
Other employee benefits	84,007	86,692
Shipping	119,325	91,960
Fees and commissions	246,020	253,495
Depreciation and amortization	266,159	264,982
Taxes and dues	63,382	65,528
Advertising	67,092	76,404
Warranty	113,689	101,846
Insurance	14,216	13,610
Travel	13,122	18,421
Training	9,306	9,775
Others	89,611	95,186
Total	₩1,688,309	1,475,687

21. Other Non-operating Income and Other Non-operating Expenses

(a) Details of other non-operating income for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Foreign currency gain	₩1,972,046	1,398,181
Gain on disposal of property, plant and equipment	51,792	34,961
Gain on disposal of intangible assets	25	1,989
Reversal of impairment loss on property, plant and equipment	4,314	7
Rental income	1,755	2,271
Others	70,511	34,849
Total	₩2,100,443	1,472,258

(b) Details of other non-operating expenses for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Foreign currency loss	₩2,479,014	1,516,528
Loss on disposal of property, plant and equipment	76,771	102,453
Impairment loss on property, plant and equipment	98,525	60,072
Impairment loss on intangible assets	72,490	54,833
Others	71,181	52,348
Total	₩2,797,981	1,786,234

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22. Finance Income and Finance Costs

Details of finance income and costs recognized in profit or loss for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Finance income		
Interest income	₩ 87,692	134,664
Foreign currency gain	375,557	560,633
Gain on transaction of derivatives	274,173	178,610
Gain on valuation of derivatives	145,078	239,973
Gain on valuation of financial assets at fair value through profit or loss	532	5,288
Others	62	3,126
Total	₩ 883,094	1,122,294
Finance costs		
Interest expense	₩ 909,640	723,429
Foreign currency loss	861,409	512,456
Loss on sale of trade accounts and notes receivable	26,178	48,600
Loss on valuation of derivatives	5,771	316,467
Loss on valuation of financial assets at fair value through profit or loss	9,122	18,562
Others	9,792	15,020
Total	₩1,821,912	1,634,534

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23. Income Tax Benefit (Expense)

(a) Details of income tax benefit (expense) for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Current tax benefit (expense)		
Current year	₩(191,865)	(260,556)
Adjustment for prior years	(32,276)	67,985
Subtotal	₩(224,141)	(192,571)
Deferred tax benefit		
Changes in temporary differences	₩ 6,381	955,283
Income tax benefit (expense)	(217,760)	762,712

(b) Details of income tax benefit (expense) recognized in equity for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024			2023		
	Before tax	Income tax effect	Net of tax	Before tax	Income tax effect	Net of tax
Remeasurements of net defined benefit liabilities (assets)	₩(154,203)	22,368	(131,835)	64,635	(14,818)	49,817
Foreign currency translation differences	997,729	(71,092)	926,637	43,572	(20,429)	23,143
Acquisition of non-controlling shareholders' interests in subsidiaries	(61,512)	14,093	(47,419)	—	—	—
Change in equity of equity method investee	3,235	—	3,235	(2,679)	25	(2,654)
Total	₩ 785,249	(34,631)	750,618	105,528	(35,222)	70,306

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23. Income Tax Benefit (Expense), Continued

(c) Reconciliation of the effective tax rate for the years ended December 31, 2024 and 2023 is as follows:

(In millions of won)	2024	2023
Loss for the year	₩(2,409,300)	(2,576,729)
Income tax benefit (expense)	(217,760)	762,712
Loss before income tax	(2,191,540)	(3,339,441)
Income tax benefit using the statutory tax rate of each country	527,019	789,941
Income not subject to tax (Expenses not deductible for tax purposes)	2,704	(19,759)
Tax credit	22,854	207,745
Change in unrecognized deferred tax assets (*1)	(703,714)	(156,783)
Adjustment for prior years	(13,807)	10,726
Effect on change in tax rate	(54,821)	(60,134)
Others	2,005	(9,024)
Total	₩ (217,760)	762,712
Effective tax rate	(*2)	(*2)

(*1) The effect of changes in deferred tax assets related to tax loss carryforwards and tax credit carryforwards that are not realizable based on the estimates of future taxable profit.

(*2) Actual effective tax rate is not calculated due to loss before income tax for the years ended December 31, 2024 and 2023.

(d) Global Minimum Tax

Under *Pillar Two legislation*, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group has assessed its impact of the *Pillar Two legislation* on its financial statements. As a result of the assessment, the Group has no current tax expenses related to *Pillar Two legislation* for the year ended December 31, 2024.

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24. Deferred Tax Assets and Liabilities

(a) Details of the recovery and settlement timings for deferred tax assets and liabilities as of December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	₩3,694,831	3,879,071
Deferred tax asset to be recovered within 12 months	493,850	370,009
Total deferred tax assets	4,188,681	4,249,080
Deferred tax liabilities		
Deferred tax liability to be settled after more than 12 months	₩ 496,851	588,669
Deferred tax liability to be settled within 12 months	187,653	99,619
Total deferred tax liabilities	684,504	688,288
Deferred tax assets after offsetting	₩3,504,177	3,560,792

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24. Deferred Tax Assets and Liabilities, Continued

(b) Changes in deferred tax assets and liabilities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	January 1, 2023	Profit or loss for 2023	Other comprehensive loss for 2023	December 31, 2023	Profit or loss for 2024	Other comprehensive income (loss) and others for 2024	Classified as held for sale	December 31, 2024
Other accounts Receivable	₩ (2,009)	1,948	—	(61)	(4,409)	—	—	(4,470)
Inventories	62,014	(10,286)	—	51,728	12,897	—	(1,498)	63,127
Defined benefits assets and others	(95,850)	20,915	(14,818)	(89,753)	53,721	22,368	—	(13,664)
Subsidiaries and associates	(252,375)	183,130	(20,404)	(89,649)	(3,731)	(56,999)	—	(150,379)
Accrued expenses	111,293	(13,426)	—	97,867	8,902	—	(176)	106,593
Tangible and Intangible Assets	708,093	(130,785)	—	577,308	(58,721)	—	60,747	579,334
Provisions	57,210	(17,624)	—	39,586	(4,666)	—	—	34,920
Other temporary differences	86,252	(27,521)	—	58,731	(8,413)	—	(15,100)	35,218
Tax loss carryforwards	1,795,132	971,688	—	2,766,820	14,365	—	(72,338)	2,708,847
Tax credit carryforwards	170,971	(22,756)	—	148,215	(3,564)	—	—	144,651
Deferred tax assets (liabilities)	₩2,640,731	955,283	(35,222)	3,560,792	6,381	(34,631)	(28,365)	3,504,177

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24. Deferred Tax Assets and Liabilities, Continued

(c) Details of deductible (taxable) temporary differences, tax credit carryforwards and tax credit carryforwards unrecognized as deferred tax assets (liabilities) as of December 31, 2024, are as follows:

(In millions of won)

	Amount	Reason
Investments with its subsidiary	(1,125,864)	Unlikely to reverse (dispose of) in the foreseeable future
Tax credit carryforwards (*1)	949,968	Uncertainty of future taxable profit
Tax loss carryforwards (*2)	2,946,346	Uncertainty of future taxable profit

(*1) Unrecognized tax credit carryforwards due to the low probability of realization in the future as of December 31, 2024, will be expired from 2025.
(*2) Unrecognized tax loss carryforwards due to the low probability of realization in the future as of December 31, 2024, will be expired from 2029.

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25. Loss per Share

(a) Basic loss per share for the years ended December 31, 2024 and 2023 are as follows:

(In won and No. of shares)	2024	2023
Loss attributable to owners of the Controlling Company for the year	₩(2,562,606,429,762)	(2,733,741,837,803)
Weighted-average number of common stocks outstanding	471,252,355	380,884,673
Basic loss per share	₩ (5,438)	(7,177)

Due to paid-in capital increase for the year ended December 31, 2024, the number of outstanding shares has increased. The weighted-average number of common shares outstanding for previous period has been adjusted considering a bonus element in a rights issue to existing shareholders for the year ended December 31, 2024.

(b) Diluted loss per share is not different from basic loss per share as there are no dilution effects of potential common stocks.

26. Financial Risk Management

The Group is exposed to credit risk, liquidity risk and market risk. The Group identifies and analyzes such risks, and controls are implemented under a risk management system to monitor and manage these risks at below an acceptable level.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Currency risk

The Group is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currency of the Parent Company, Korean won (KRW). The currencies in which these transactions primarily are denominated are USD, CNY, JPY, etc.

Interest on borrowings is accrued in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily KRW, USD, and CNY.

The Group adopts policies to ensure that its net exposure is kept to a manageable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances. In respect of monetary assets and liabilities denominated in foreign currencies, the Group manages currency risk through continuously managing the position of foreign currencies, measuring the currency risk and, if necessary, using derivatives such as currency forwards, currency swap and others.

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26. Financial Risk Management, Continued

i) Exposure to currency risk

The Group's exposure to foreign currency risk for major foreign currencies based on notional amounts as of December 31, 2024 and 2023 is as follows:

(In millions)	Net exposure	
	December 31, 2024	December 31, 2023
USD	(215)	(859)
JPY	(13,932)	(23,398)
CNY	(26,923)	(19,043)
VND	(1,485,175)	(1,796,335)

Net exposure is the difference between foreign currency assets and liabilities and it includes derivatives assets and liabilities from cross currency interest rate swap contracts and forward exchange contracts.

Cross currency interest rate swap contracts, USD 500 million (2023: USD 500 million) and CNY 726 million (2023: CNY 345 million) were entered into to manage currency risk with respect to foreign currency denominated borrowings and USD 980 million (2023: USD 1,430 million) were entered into to manage currency risk and interest rate risk with respect to foreign currency denominated borrowings and bonds.

Forward exchange contracts, USD 750 million (2023: USD 1,200 million) were entered into to manage currency risk with respect to advances received in foreign currency.

Average exchange rates applied for the years periods ended December 31, 2024 and 2023 and the exchange rates as of December 31 and 2023 are as follows:

(In won)	Average rate		Reporting date spot rate	
	2024	2023	December 31, 2024	December 31, 2023
USD	₩1,363.09	1,306.12	1,470.00	1,289.40
JPY	9.01	9.32	9.36	9.13
CNY	189.13	184.28	201.27	180.84
VND	0.0544	0.0548	0.0577	0.0532

26. Financial Risk Management, Continued

ii) Sensitivity analysis

A weaker won, as indicated below, against the following currencies which comprise the Group's assets or liabilities denominated in a foreign currency as of December 31, 2024 and 2023 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considers to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, would remain constant. The changes in equity and profit or loss would have been as follows:

(In millions of won)	**December 31, 2024**		**December 31, 2023**	
	Equity	**Profit or loss**	**Equity**	**Profit or loss**
USD (5 percent weakening)	₩ (7,533)	(27,651)	(68,615)	44,361
JPY (5 percent weakening)	(5,001)	(5,123)	(8,160)	(8,480)
CNY (5 percent weakening)	(270,943)	(1)	(172,198)	(2)
VND (5 percent weakening)	(3,303)	(3,303)	(3,683)	(3,683)

A stronger won against the above currencies as of December 31, 2024 and 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

26. Financial Risk Management, Continued

iii) Fair value hedging derivatives

In relation to advances received that are denominated in foreign currency, the Group uses derivative instruments to hedge change of fair value due to foreign currency exchange rate changes.

Hedging instrument	Contractor	Contract amount (In millions)	Contract exchange rate	Maturity date	Change in value (In millions of won)	Ineffective portion of risk hedging (In millions of won)
Forward	Standard Chartered Bank Korea Limited and others	USD 750	1,289.11 ~ 1,310,08	2025.01 ~ 2026.01	155,149	19,699

(ii) Interest rate risk

Interest rate risk arises principally from the Group's variable interest-bearing bonds and borrowings. The Group establishes and applies its policy to reduce uncertainty arising from fluctuations in interest rates and to minimize finance cost and manages interest rate risk by monitoring of trends of fluctuations in interest rate and establishing plan for countermeasures. Meanwhile, the Group entered into cross currency interest rate swap contracts amounting to USD 980 million (₩1,440,600 million) and interest rate swap contracts amounting to ₩915,000 million in notional amount to hedge interest rate risk with respect to variable interest bearing borrowings.

i) Profile

The interest rate profile of the Group's interest-bearing financial instruments as of December 31, 2024 and 2023 is as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Fixed rate instruments		
Financial assets	₩ 2,023,710	3,163,490
Financial liabilities	(4,722,962)	(6,333,238)
Total	₩ (2,699,252)	(3,169,748)
Variable rate instruments		
Financial liabilities	₩ (9,827,152)	(10,195,891)

26. Financial Risk Management, Continued

ii) Equity and profit or loss sensitivity analysis for variable rate instruments

As of December 31, 2024 and 2023, a change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below for the respective following 12 months periods. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(In millions of won)	Equity		Profit or loss	
	1%p increase	1%p decrease	1%p increase	1%p decrease
December 31, 2024				
Variable rate instruments (*)	₩(75,758)	75,758	(75,758)	75,758
December 31, 2023				
Variable rate instruments (*)	₩(78,590)	78,590	(78,590)	78,590

(*) Included financial instruments for which interest rate swap contracts, not designated as hedging instruments, were entered into.

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26. Financial Risk Management, Continued

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

The Group's exposure to credit risk of trade and other receivables is influenced mainly by the individual characteristics of each customer. However, management believes that the default risk of the country in which each customer operates, does not have a significant influence on credit risk since the majority of the customers are global electronic appliance manufacturers operating in global markets.

The Group establishes credit limits for each customer and each new customer is analyzed quantitatively and qualitatively before determining whether to utilize third party guarantees, insurance or factoring as appropriate.

In relation to the impairment of financial assets subsequent to initial recognition, the Group recognizes the changes in expected credit loss ("ECL") in profit or loss at each reporting date.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as of December 31, 2024 and 2023 is as follows:

(In millions of won)

	December 31, 2024	December 31, 2023
Financial assets carried at amortized cost		
Cash equivalents	₩2,021,640	2,257,519
Deposits in banks	611	905,982
Trade accounts and notes receivable, net(*)	3,624,477	3,218,093
Non-trade receivables	227,477	112,739
Accrued income	22,552	14,246
Deposits	16,747	18,378
Loans	37,143	59,884
Subtotal	5,950,647	6,586,841
Other financial assets		
Lease receivables	10,063	4,130
Subtotal	₩ 10,063	4,130
Financial assets at fair value through profit or loss		
Convertible securities	₩ 1,470	3,127
Derivatives	256,251	169,703
Subtotal	₩ 257,721	172,830
Financial assets effective for fair value hedging		
Derivatives	119,098	—
Total	₩6,337,529	6,763,801

(*) As of December 31, 2024, it includes financial assets amounting to ₩1,123,869 million held under the business model to achieve the purpose through the receipt of contractual cash flows and the sale of financial assets are included.

Trade accounts and notes receivable are insured in order for the Group to manage credit risk if they do not meet the Group's internal credit ratings. Uninsured trade accounts and notes receivable are managed by continuous monitoring of internal credit rating standards established by the Group and seeking insurance coverage, if necessary.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

26. Financial Risk Management, Continued

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Group has historically been able to satisfy its cash requirements from cash flows from operations and debt and equity financing. In addition, the Group maintains a line of credit with various banks.

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26. Financial Risk Management, Continued

The following are the contractual maturities of financial liabilities, including estimated interest payments, as of December 31, 2024 and 2023.

(i) As of December 31, 2024

(In millions of won)		Contractual cash flows in					
	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	₩13,412,275	14,453,995	3,730,807	2,609,727	3,941,215	4,146,933	25,313
Bonds	1,137,839	1,185,892	631,539	11,638	416,573	126,142	—
Trade accounts and notes payable(*)	4,156,149	4,156,149	3,884,788	271,361	—	—	—
Other accounts payable(*)	1,720,670	1,723,867	1,404,896	318,971	—	—	—
Long-term other accounts payable	279,774	323,400	—	—	69,090	192,570	61,740
Security deposits received	160,713	189,214	—	808	6,841	181,565	—
Lease liabilities	57,975	60,653	23,948	12,681	13,889	9,423	712
Derivative financial liabilities							
Derivatives	₩ 10,768	11,184	930	3,447	4,495	2,312	—
Cash outflow	—	75,016	21,402	20,467	22,342	10,805	—
Cash inflow	—	(63,832)	(20,472)	(17,020)	(17,847)	(8,493)	—
Total	₩20,936,163	22,104,354	9,676,908	3,228,633	4,452,103	4,658,945	87,765

(*) As of December 31, 2024, it includes ₩1,187,450 million of payable to credit card companies for utility expenses and others paid using business credit card for purchases. The Group presented the payable to credit card companies as trade account notes payables and other accounts payable and disclosed related cash flows as operating and investing activities since the Group is using the business credit card for purchases through agreements with suppliers for transactions arising from purchasing of goods and services, the payment term is within a year from the purchase, as part of the normal operating cycle, and no collateral is provided.

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26. Financial Risk Management, Continued

(ii) As of December 31, 2023

(*In millions of won*)	Carrying amount	Contractual cash flows in: Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	₩15,040,986	16,309,036	3,534,173	1,900,982	6,231,118	4,397,095	245,668
Bonds	1,488,143	1,597,741	111,169	319,011	642,996	524,565	—
Trade accounts and notes payable(*)	4,175,064	4,175,064	3,969,497	205,567	—	—	—
Other accounts payable(*)	2,918,903	2,921,719	2,688,979	232,740	—	—	—
Long-term other accounts payable	357,907	413,255	—	—	129,587	175,358	108,310
Security deposits received	153,370	190,329	3,120	4,597	1,047	181,565	—
Lease liabilities	73,364	77,246	29,980	21,335	11,848	11,461	2,622
Derivative financial liabilities							
Derivatives	₩ 63,526	45,705	18,781	3,988	12,474	10,462	—
Cash outflow	—	1,385,858	657,325	47,527	510,676	170,330	—
Cash inflow	—	(1,340,153)	(638,544)	(43,539)	(498,202)	(159,868)	—
Fair value hedging derivatives	36,052	36,052	1,514	5,878	20,282	8,378	—
Total	₩24,307,315	25,766,147	10,357,213	2,694,098	7,049,352	5,308,884	356,600

(*) As of December 31, 2023, it includes ₩1,092,180 million of payable to credit card companies for utility expenses and others paid using business credit card for purchases. The Group presented the payable to credit card companies as other accounts payable and disclosed related cash flows as operating and investing activities since the Group is using the business credit card for purchases through agreements with suppliers for transactions arising from purchasing of goods and services, the payment term is within a year from the purchase, as part of the normal operating cycle, and no collateral is provided.

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26. Financial Risk Management, Continued

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

26. Financial Risk Management, Continued

(d) Capital management

Management's policy is to maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Liabilities to equity ratio, net borrowings to equity ratio and other financial ratios are used by management to achieve an optimal capital structure. Management also monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group is also responsible for complying with certain financial ratios as part of capital maintenance conditions imposed externally. To fulfill this responsibility, the Group regularly monitors these financial ratios and takes proactive measures when necessary.

(*In millions of won*)

	December 31, 2024	December 31, 2023
Total liabilities	₩ 24,786,759	26,988,754
Total equity	8,072,807	8,770,544
Cash and deposits in banks (*1)	2,022,240	3,163,493
Borrowings (including bonds)	14,550,114	16,529,129
Total liabilities to equity ratio	307%	308%
Net borrowings to equity ratio (*2)	155%	152%

(*1) Cash and deposits in banks consist of cash and cash equivalents and current deposits in banks.
(*2) Net borrowings to equity ratio is calculated by dividing total borrowings (including bonds and excluding lease liabilities and others) less cash and current deposits in banks by total equity.

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26. Financial Risk Management, Continued

(e) Determination of fair value

(i) Measurement of fair value

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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26. Financial Risk Management, Continued

(ii) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statements of financial position as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024		December 31, 2023	
	Carrying amounts	Fair values	Carrying amounts	Fair values
Financial assets carried at amortized cost				
Cash and cash equivalents	₩ 2,021,640	(*1)	2,257,522	(*1)
Deposits in banks	611	(*1)	905,982	(*1)
Trade accounts and notes receivable(*3)	3,624,477	(*1)	3,218,093	(*1)
Non-trade receivables	227,477	(*1)	112,739	(*1)
Accrued income	22,552	(*1)	14,246	(*1)
Deposits	16,747	(*1)	18,378	(*1)
Loans	37,143	(*1)	59,884	(*1)
Financial assets at fair value through profit or loss				
Equity instruments	₩ 120,501	120,501	87,027	87,027
Convertible securities	1,470	1,470	3,127	3,127
Derivatives	256,251	256,251	169,703	169,703
Financial assets effective for fair value hedging				
Derivatives	119,098	119,098	—	—
Other financial assets				
Lease receivables	10,063	(*1)	4,130	(*1)
Financial liabilities carried at amortized cost				
Borrowings	₩13,412,275	13,482,726	15,040,986	15,101,258
Bonds	1,137,839	1,142,725	1,488,143	1,479,725
Trade accounts and notes payable	4,156,149	(*1)	4,175,064	(*1)
Other accounts payable	2,000,444	(*1)	3,276,810	(*1)
Security deposits received	160,713	(*1)	153,370	(*1)
Financial liabilities at fair value through profit or loss				
Derivatives	₩ 10,768	10,768	63,526	63,526
Financial liabilities effective for fair value hedging				
Derivatives	₩ —	—	36,052	36,052
Other financial liabilities				
Lease liabilities	57,975	(*2)	73,364	(*2)

(*1) Excluded from disclosures as the carrying amount approximates fair value.
(*2) Excluded from the fair value disclosures in accordance with Korean IFRS 1107 'Financial Instruments: Disclosures'.
(*3) As of December 31, 2024, it includes financial assets amounting to ₩1,123,869 million held under the business model to achieve the purpose through the receipt of contractual cash flows and the sale of financial assets are included.

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26. Financial Risk Management, Continued

(iii) Fair values of financial assets and liabilities

i) Fair value hierarchy

Financial instruments carried at fair value are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data

ii) Valuation techniques and inputs for Assets and Liabilities measured by the fair value hierarchy

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

(In millions of won)	December 31, 2024			
Classification	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity securities	₩18,958	—	101,543	120,501
Convertible securities	—	—	1,470	1,470
Derivatives	—	256,251	—	256,251
Financial assets effective for fair value hedging				
Derivatives	₩ —	119,098	—	119,098
Financial liabilities at fair value through profit or loss				
Derivatives	₩ —	10,768	—	10,768

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26. Financial Risk Management, Continued

(In millions of won) Classification	December 31, 2023 Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity securities	₩—	—	87,027	87,027
Convertible securities	—	—	3,127	3,127
Derivatives	—	169,703	—	169,703
Financial liabilities at fair value through profit or loss				
Derivatives	₩—	63,526	—	63,526
Financial liabilities effective for fair value hedging				
Derivatives	₩—	36,052	—	36,052

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26. Financial Risk Management, Continued

The valuation techniques and inputs for assets and liabilities measured at fair value those are classified as Level 2 and Level 3 within the fair value hierarchy as of December 31, 2024 and 2023 are as follows:

(In millions of won) Classification	December 31, 2024 Level 2	December 31, 2024 Level 3	December 31, 2023 Level 2	December 31, 2023 Level 3	Valuation technique	Input
Financial assets at fair value through profit or loss						
Equity securities	₩ —	101,543	—	87,027	Net asset value method and Comparable company analysis	Price to book value ratio
Convertible securities	—	1,470	—	3,127	Blended discount model and binominal option pricing model	Discount rate, stock price and volatility
Derivatives	256,251	—	169,703	—	Discounted cash flow	Discount rate and Exchange rate
Financial assets effective for fair value hedging						
Derivatives	₩119,098	—	—	—	Discounted cash flow	Discount rate and Exchange rate
Financial liabilities at fair value through profit or loss						
Derivatives	₩ 10,768	—	63,526	—	Discounted cash flow	Discount rate and Exchange rate
Financial liabilities effective for fair value hedging						
Derivatives	₩ —	—	36,052	—	Discounted cash flow	Discount rate and Exchange rate

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26. Financial Risk Management, Continued

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

Fair value hierarchy classifications, valuation technique and inputs for fair value measurements of the financial instruments not measured at fair value but for which the fair value is disclosed as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024			Valuation	
Classification	**Level 1**	**Level 2**	**Level 3**	**technique**	**Input**
Liabilities					
Borrowings	₩—	—	13,482,726	Discounted cash flow	Discount rate
Bonds	—	—	1,142,725	Discounted cash flow	Discount rate

(In millions of won)	December 31, 2023			Valuation	
Classification	**Level 1**	**Level 2**	**Level 3**	**technique**	**Input**
Liabilities					
Borrowings	₩—	—	15,101,258	Discounted cash flow	Discount rate
Bonds	—	—	1,479,725	Discounted cash flow	Discount rate

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26. Financial Risk Management, Continued

iv) The interest rates applied for determination of the above fair value as of December 31, 2024 and 2023 are as follows

	December 31, 2024	December 31, 2023
Borrowings, bonds and others	3.70%~3.96%	4.60%~5.02%

v) There is no transfer between Level 1, Level 2 and Level 3 for the years ended December 31, 2024 and 2023, and the changes in financial assets classified as Level 3 of fair value measurements for the years ended December 31, 2024 and 2023 is as follows:

(*In millions of won*)

Classification	January 1, 2024	Acquisition	Disposal	Valuation	Changes in Foreign Exchange Rates	December 31, 2024
Equity securities	₩87,027	5,470	(128)	(2,809)	11,983	101,543
Convertible securities	3,127	—	(1,838)	—	181	1,470

(*In millions of won*)

Classification	January 1, 2023	Acquisition	Disposal	Valuation	Changes in Foreign Exchange Rates	December 31, 2023
Equity securities	₩96,064	3,286	(414)	(13,315)	1,406	87,027
Convertible securities	1,797	1,329	—	41	(40)	3,127

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26. Financial Risk Management, Continued

(f) Net gains and losses by category of financial instruments

The net gains and losses by category of financial instruments as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024						
	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at FVTPL	Financial assets at FVOCI	Derivatives	Others	Total
Interest income	₩ 87,510	—	—	—	—	182	87,692
Interest expense	—	(906,766)	—	—	—	(2,874)	(909,640)
Foreign currency differences	1,189,874	(2,238,150)	—	—	190,906	—	(857,370)
Bad debt expense	(689)	—	—	—	—	—	(689)
Gain or loss on disposal	(7,708)	—	(109)	(18,470)	—	—	(26,287)
Gain or loss on valuation	—	—	(8,590)	—	—	—	(8,590)
Gain or loss on repayment		(678)	—	—	—	—	(678)
Gain or loss on derivatives	—	—	—	—	413,480	—	413,480
Total	₩1,268,987	(3,145,594)	(8,699)	(18,470)	604,386	(2,692)	(1,302,082)

(In millions of won)

	2023						
	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at FVTPL	Financial assets at FVOCI	Derivatives	Others	Total
Interest income	₩134,388	—	—	—	—	276	134,664
Interest expense	—	(720,086)	—	—	—	(3,343)	(723,429)
Foreign currency differences	108,546	(176,376)	—	—	(36,052)	—	(103,882)
Reversal of bad debt expense	181	—	—	—	—	—	181
Gain or loss on disposal	(48,600)	—	132	(329)	—	—	(48,797)
Gain or loss on valuation	—	—	(13,274)	—	—	—	(13,274)
Gain or loss on repayment	—	(167)	—	—	—	—	(167)
Gain or loss on derivatives	—	—	—	—	102,116	—	102,116
Total	₩194,515	(896,629)	(13,142)	(329)	66,064	(3,067)	(652,588)

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27. Leases

(a) Leases as lessee

The Group leases buildings, vehicles, machinery and equipment and others. Information about leases for which the Group is a lessee is presented below.

(i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment(see Note 9(a)).

Changes in right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024					
	Buildings and structures	Land	Machinery and equipment	Vehicles	Others	Total
Beginning balance	₩ 57,946	51,249	714	7,439	1,898	119,246
Acquisitions	24,008	1	2,658	7,044	154	33,865
Depreciation	(56,080)	(3,063)	(1,645)	(6,879)	(778)	(68,445)
Gain or loss on foreign currency translation	13,877	8,410	23	456	292	23,058
Classified as held for sale	(11,599)	(5,585)	—	(1,563)	(44)	(18,791)
Ending balance	₩ 28,152	51,012	1,750	6,497	1,522	88,933

(In millions of won)

	2023					
	Buildings and structures	Land	Machinery and equipment	Vehicles	Others	Total
Beginning balance	₩ 51,033	51,804	598	8,502	721	112,658
Acquisitions	65,133	—	881	6,698	1,899	74,611
Depreciation	(56,471)	(2,846)	(770)	(7,482)	(780)	(68,349)
Gain or loss on foreign currency translation	(1,749)	2,291	5	(279)	58	326
Ending balance	₩ 57,946	51,249	714	7,439	1,898	119,246

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27. Leases, Continued

(ii) Amounts recognized in profit or loss not from right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Interest on lease liabilities	₩(2,874)	(3,343)
Income from sub-leasing right-of-use assets	182	276
Expenses relating to short-term leases	(274)	(241)
Expenses relating to leases of low-value assets that are not short-term leases	(543)	(942)

(iii) Changes in lease liabilities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Beginning balance	₩ 73,364	72,788
Additions and others	55,619	70,716
Interest expense	2,874	3,343
Repayment of liabilities	(73,882)	(73,483)
Ending balance	₩ 57,975	73,364

(iv) Total cash outflow from leases for the year ended December 31, 2024 amounted to ₩74,517 million (2023: ₩77,733).

(b) Leases as lessor

(i) Finance lease

For the years ended December 31, 2024 and 2023, the Group recognized interest income on lease receivables of ₩182 million and ₩276 million, respectively.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

(In millions of won)

	December 31, 2024	December 31, 2023
6 months or less	₩ 3,255	3,580
6-12 months	3,255	597
1-2 years	3,797	—
Total undiscounted lease receivable	₩ 10,307	4,177
Unearned finance income	(244)	(47)
Net Investment in the lease	₩ 10,063	4,130

(ii) Operating lease

The Group leases out investment property and a portion of property, plant and equipment as operating leases (see Notes 9 and 11).

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28. Cash Flow Information

(a) Details of cash flows generated from operations for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Loss for the year	₩(2,409,300)	(2,576,729)
Adjustments for:		
Income tax expense (benefit) (Note 23)	217,760	(762,712)
Depreciation and amortization (Note 19)	5,125,637	4,213,742
Gain on foreign currency translation	(587,019)	(313,378)
Loss on foreign currency translation	979,061	241,701
Expenses related to defined benefit plans (Note 13)	130,014	149,937
Gain on disposal of property, plant and equipment	(51,792)	(34,961)
Loss on disposal of property, plant and equipment	76,771	102,453
Impairment loss on property, plant and equipment	98,525	60,072
Reversal of impairment loss on property, plant and equipment	(4,314)	(7)
Gain on disposal of intangible assets	(25)	(1,989)
Loss on disposal of intangible assets	388	55
Impairment loss on intangible assets	72,490	54,833
Reversal of impairment loss on intangible assets	(14)	(242)
Expense on increase of provision	119,141	101,846
Finance income	(511,068)	(594,944)
Finance costs	1,480,007	1,162,598
Equity in loss (income) of equity method accounted investees, net	(5,412)	3,061
Others	(85,651)	(7,030)
Changes in:		
Trade accounts and notes receivable	(395,513)	(1,013,938)
Other accounts receivable	(142,775)	39,377
Inventories	(85,850)	336,993
Other current assets	(14,479)	92,983
Other non-current assets	2,537	1,151
Trade accounts and notes payable	(46,796)	323,548
Other accounts payable	(529,621)	(47,798)
Accrued expenses	92,474	(47,088)
Provisions	(134,684)	(179,969)
Advances received	(16,161)	(19,461)
Proceeds from settlement of derivatives	35,757	—
Other current liabilities	(4,050)	(33,367)
Defined benefit liabilities, net	(38,018)	(45,123)
Long-term advances received	—	1,580,222
Other non-current liabilities	5,436	33,493
Cash generated from operations	₩ 3,373,456	2,819,329

LG DISPLAY CO., LTD. AND SUBSIDIARIES
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28. Cash Flow Information, Continued

(b) Changes in liabilities arising from financing activities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	January 1, 2024	Cash flows from financing activities	Non-cash transactions: Gain or loss on foreign currency translation	Interest expense	Classification of liabilities held for sale	Others	December 31, 2024
Short-term borrowings	₩ 1,875,635	(1,065,878)	159,838	—	—	—	969,595
Long-term borrowings	13,165,351	(726,352)	1,051,834	4,203	(1,060,592)	8,236	12,442,680
Bonds	1,488,143	(370,000)	18,004	1,692	—	—	1,137,839
Lease liabilities	73,364	(71,008)	16,752	—	(6,772)	45,639	57,975
Dividend payable	7,302	(136,519)	268	—	—	135,339	6,390
Total	₩16,609,795	(2,369,757)	1,246,696	5,895	(1,067,364)	189,214	14,614,479

(In millions of won)

	January 1, 2023	Cash flows from financing activities	Non-cash transactions: Gain or loss on foreign currency translation	Interest expense	Others	December 31, 2023
Short-term borrowings	₩ 2,578,552	(716,386)	13,469	—	—	1,875,635
Long-term borrowings	10,964,112	2,139,554	50,174	3,271	8,240	13,165,351
Bonds	1,448,746	35,276	2,237	1,717	167	1,488,143
Lease liabilities	72,788	(73,483)	(312)	—	74,371	73,364
Dividend payable	—	(34,098)	(44)	—	41,444	7,302
Total	₩15,064,198	1,350,863	65,524	4,988	124,222	16,609,795

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28. Cash Flow Information, Continued

(c) Details of significant non-cash transactions for the years ended December 31, 2024, and 2023 are as follows.

(In millions of won)

	2024	2023
Changes in other accounts payable arising from the purchase of property, plant and equipment	₩ (630,267)	(348,046)
Changes in other accounts payable arising from the purchase of intangible assets	(137,918)	(27,918)
Recognition of right-of-use assets and lease liabilities	33,865	74,611
Reclassification of the current portion of borrowings/bonds	(6,559,088)	(3,441,686)
Classification of assets held for sale	983,317	—
Classification of liabilities held for sale	1,656,841	—

29. Related Parties and Others

(a) Related parties

Details of related parties as of December 31, 2024 are as follows:

Classification	Description
Associates(*)	Paju Electric Glass Co., Ltd. and others
Entity that has significant influence over the Controlling Company	LG Electronics Inc.
Subsidiaries of the entity that has significant influence over the Controlling Company	Subsidiaries of LG Electronics Inc.

(*) Details of associates are described in Note 8.

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29. Related Parties and Others, Continued

(b) Details of major transactions with related parties for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*2)
Associates				
AVATEC Co., Ltd.(*1)	₩ —	200	52,983	2,947
Paju Electric Glass Co., Ltd.	—	—	237,002	8,428
WooRee E&L Co., Ltd.(*1)	—	—	5,045	32
YAS Co., Ltd.(*1)	—	—	5,266	7,578
Material Science Co., Ltd.	—	—	3,579	1,512
Entity that has significant influence over the Controlling Company				
LG Electronics Inc.	₩349,194	—	19,959	354,362
Subsidiaries of the entity that has significant influence over the Controlling Company				
LG Electronics India Pvt. Ltd.	₩ 52,736	—	—	275
LG Electronics Vietnam Haiphong Co., Ltd.	306,727	—	—	5,945

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29. Related Parties and Others, Continued

(In millions of won)	2024			
			Purchase and Others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*2)
LG Electronics Nanjing New Technology Co., Ltd.	₩ 379,241	—	—	629
LG Electronics do Brasil Ltda.	32,165	—	—	248
LG Innotek Co., Ltd.	10,999	—	18,166	72,123
LG Electronics Mlawa Sp. z o.o.	977,531	—	—	1,105
LG Electronics Reynosa S.A. DE C.V.	973,432	—	—	746
LG Electronics Egypt S.A.E	24,454	—	—	32
LG Electronics Japan, Inc.	—	—	—	6,250
LG Electronics RUS, LLC	—	—	—	4,005
LG Electronics U.S.A., Inc.	—	—	—	2,128
P.T. LG Electronics Indonesia	482,099	—	—	1,254
HI-M Solutek Co., Ltd	—	—	—	9,636
LG Technology Ventures LLC	—	—	—	1,319
Others	330	—	462	1,579
Total	₩3,588,908	200	342,462	482,133

(*1) For the year ended December 31, 2024, WooRee E&L Co., Ltd., AVATEC Co., Ltd. and YAS Co., Ltd. were excluded from related parties and others due to loss of significant influence and transaction amount is the amount prior to exclusion.
(*2) Others include the amount of the acquisition of property, plant, and equipment.

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29. Related Parties and Others, Continued

(In millions of won)

	2023			
			Purchase and Others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*)
Associates				
AVATEC Co., Ltd.	₩ —	—	43,662	11,003
Paju Electric Glass Co., Ltd.	—	15,200	176,831	4,341
WooRee E&L Co., Ltd.	—	—	7,853	513
YAS Co., Ltd.	—	—	9,832	23,202
Material Science Co., Ltd.	—	—	—	179
Entity that has significant influence over the Controlling Company				
LG Electronics Inc.	₩231,935	—	22,370	501,094
Subsidiaries of the entity that has significant influence over the Controlling Company				
LG Electronics India Pvt. Ltd.	₩ 47,031	—	—	270
LG Electronics Vietnam Haiphong Co., Ltd.	434,789	—	—	7,090

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29. Related Parties and Others, Continued

(In millions of won)	2023			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*)
LG Electronics Nanjing New Technology Co., Ltd.	₩ 350,207	—	—	451
LG Electronics do Brasil Ltda.	29,249	—	—	316
LG Innotek Co., Ltd.	7,754	—	14,970	100,272
LG Electronics Mlawa Sp. z o.o.	811,880	—	—	1,611
LG Electronics Reynosa S.A. DE C.V.	826,547	—	—	810
LG Electronics Egypt S.A.E	20,225	—	—	66
LG Electronics Japan, Inc.	114	—	—	6,278
LG Electronics RUS, LLC	360	—	—	2,359
LG Electronics U.S.A., Inc.	—	—	—	2,177
P.T. LG Electronics Indonesia	448,528	—	—	2,231
LG Electronics Nanjing Vehicle Components Co.,Ltd.	1,414	—	—	—
LG Technology Ventures LLC	—	—	—	2,596
HI-M Solutek Co., Ltd	—	—	9	7,316
Others	15	—	142	1,502
Total	₩3,210,048	15,200	275,669	675,677

(*) Others include the amount of the acquisition of property, plant, and equipment.

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29. Related Parties and Others, Continued

(c) Details of balances of receivables and payables from transaction with related parties as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	Trade accounts and notes receivable and others		Trade accounts and notes payable and others	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Associates	₩			
AVATEC Co., Ltd.(*1)	—	—	—	4,775
Paju Electric Glass Co., Ltd.	—	—	64,140	56,136
WooRee E&L Co., Ltd.(*1)	—	695	—	2,219
YAS Co., Ltd.(*1)	—	—	—	12,483
Material Science Co., Ltd.	—	—	261	118
Entity that has significant influence over the Controlling Company				
LG Electronics Inc. (*2)	₩ 179,710	63,284	1,071,592	1,140,260
Subsidiaries of the entity that has significant influence over the Controlling Company				
LG Electronics India Pvt. Ltd.	₩ 3,317	2,013	—	35
LG Electronics Vietnam Haiphong Co., Ltd.	72,521	76,952	921	1,403
LG Electronics Nanjing New Technology Co., Ltd.	61,922	38,502	15	27
LG Electronics do Brasil Ltda.	13,184	6,252	—	32
LG Innotek Co., Ltd. (*3)	1,803	3,002	207,258	216,049

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29. Related Parties and Others, Continued

(In millions of won)

	Trade accounts and notes receivable and others		Trade accounts and notes payable and others	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
LG Electronics Mlawa Sp. z o.o.	₩ 149,789	101,357	131	—
LG Electronics Reynosa, S.A. DE C.V.	55,500	64,208	—	109
LG Electronics Japan, Inc.	—	114	548	632
P.T. LG Electronics Indonesia	63,719	46,146	53	108
LG Electronics Taiwan Taipei Co., Ltd.	—	—	63	115
LG Electronics Egypt S.A.E	3,877	369	7	1
Others	261	251	5,779	2,184
Total	₩ 605,603	403,145	1,350,768	1,436,686

(*1) For the year ended December 31, 2024, as it was excluded from related parties and others due to loss of significant influence, there are no outstanding receivables or payables.
(*2) Trade accounts and note payable and others for LG Electronics Inc. as of December 31, 2024 and 2023 includes long-term borrowings of ₩1,000,000 million (see Note 12.(c)).
(*3) Trade accounts and note payable and others for LG Innotek Co., Ltd. as of December 31, 2024 and 2023 includes deposits received amount ₩180,000 million from lease agreement.

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29. Related Parties and Others, Continued

(d) Details of significant financial transactions with related parties and others for the years ended December 31, 2024 and 2023, are as follows:

(In millions of won)	2024		
	Company Name	**Capital increase**	**Collection of loans**
Associates	WooRee E&L Co., Ltd. (*)	₩ —	₩ 256
Entity that has significant influence over the Company	LG Electronics Inc.	436,031	—

(*) For the year ended December 31, 2024, it was excluded from related parties and others due to loss of significant influence and transaction amount is the amount prior to exclusion.

(In millions of won)	2023		
	Company Name	**Borrowings**	**Collection of loans**
Associates	WooRee E&L Co., Ltd.	₩ —	183
Entity that has significant influence over the Company	LG Electronics Inc.	1,000,000	—

The Group entered into a loan agreement with LG Electronics Inc. on March 27, 2023 for a total borrowing amount of ₩1,000,000 million, and received ₩650,000 million on March 30, 2023 and ₩350,000 million on April 20, 2023.

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29. Related Parties and Others, Continued

(e) Large Enterprise Group Transactions

According to the ‘Related Party Disclosures’ under the Korean IFRS 1024, although not included in the scope of related parties, the major transaction details with the Large Enterprise Group subsidiaries and their affiliates, as well as the amounts of receivables and payables for the years ended December 31, 2024 and 2023, in accordance with the Monopoly Regulation and Fair Trade Act, are as follows:

(In millions of won)

	For the year ended December 31, 2024		December 31, 2024	
	Sales and others	**Purchase and others**	**Trade accounts and notes receivable and others**	**Trade accounts and notes payable and others**
LG Uplus Corp.	₩105,300	2,765	—	164
LG Chem Ltd. and its subsidiaries	500	567,215	188	239,895
D&O Corp. and its subsidiaries(*1)	270	72,093	—	86,714
LG Corp.(*2)	—	63,471	7,551	10,731
LG Management Development Institute	—	30,565	3	340
LG CNS Co., Ltd. and its subsidiaries	184	249,674	—	78,229
LG Household & Health Care Ltd. and its subsidiaries	—	96	—	—
HS AD Inc. and its subsidiaries	—	5,439	—	542
Robostar Co., Ltd.	—	2,821	—	2,398
Total	₩106,254	994,139	7,742	419,013

(*1) Among the matters related to D&O Corp. and its subsidiaries, S&I Corporation Co., Ltd. and Xi C&A Co., Ltd. were excluded from the large corporate group as of March 19, 2024 and reflected based on the transaction amount for the three-month period ended March 31, 2024.

(*2) According to the lease agreement signed with LG Corp., no recognized lease liabilities as of December 31, 2024. The lease repayment for the year ended December 31, 2024 amounts to ₩9,681 million.

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29. Related Parties and Others, Continued

(In millions of won)

	For the year ended December 31, 2023		December 31, 2023	
	Sales and others	**Purchase and others**	**Trade accounts and notes receivable and others**	**Trade accounts and notes payable and others**
LG Uplus Corp.	₩ -	2,458	—	206
LG Chem Ltd. and its subsidiaries	355	464,303	49	209,113
D&O Corp. and its subsidiaries.	2,016	660,714	—	105,757
LG Corp.(*1)	1,891	51,906	16,261	5,575
LG Management Development Institute	—	40,244	—	543
LG CNS Co., Ltd. and its subsidiaries	16	296,637	5	112,881
LG Household & Health Care Ltd. and its subsidiaries	—	108	—	1
HS AD Inc.(formerly, G2R Inc.) and its subsidiaries(*2)	—	19,226	—	5,687
Robostar Co., Ltd.	—	1,018	—	312
Total	₩ 4,278	1,536,614	16,315	440,075

(*1) According to the lease agreement signed with LG Corp., the recognized lease liabilities as of December 31, 2023 are ₩8,493 million, and the lease liabilities are not included in the amount of ‘Trade accounts and notes payable and others’ above. The lease repayment for the year ended December 31, 2023 amounts to ₩8,328 million.

(*2) G2R Inc. changed its name to HS AD Inc. on July 1, 2023.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(f) Key management personnel compensation

Details of compensation costs of key management for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Short-term benefits	₩2,397	2,291
Expenses related to the defined benefit plan	604	355
Total	₩3,001	2,646

Key management refers to the registered directors who have significant control and responsibilities over the Parent Company's operations and business.

(g) At the end of the reporting period, the Group did not set an allowance for doubtful accounts on the balance of receivables for related parties.

LG DISPLAY CO., LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
For the years ended December 31, 2024 and 2023

30. Assets and Liabilities Held for Sale (Disposal Group)

For the year ended December 31, 2024, management of the Group decided to sell 80% of its stake in LG Display (China) Co., Ltd. and 100% of its stake in LG Display Guangzhou Co., Ltd. to TCL CSOT. The contract was signed on September 26, 2024, and the transaction is expected to be completed within one year. As a result, the assets and liabilities held by LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. are presented as assets and liabilities held for sale.

(a) Details of assets and liabilities held for sale

(In millions of won)	December 31, 2024
Disposal Group(*)	₩
Cash and cash equivalents	158,415
Trade accounts and notes receivable, net	11,131
Other accounts receivables, net	10,809
Inventories	101,998
Prepaid income taxes	14,402
Other current assets and others	45,733
Property, plant and equipment, net	611,689
Intangible assets, net	775
Deferred tax assets	28,365
Total	₩ 983,317
Liabilities in the Disposal Group	₩
Trade accounts and notes payable	466,907
Current financial liabilities	917,620
Other accounts payable	52,097
Accrued expenses	67,181
Advances received	2,364
Other Current liabilities and others	927
Non-current financial liabilities	149,745
Total	₩1,656,841

(*) There is no impairment loss recognized for assets held for sale, as the net fair value of the disposal group is expected to exceed the carrying amount.

(b) Accumulated income directly recognized as other comprehensive income in relation to the disposal group classified as held for sale is ₩291,363 million of foreign currency translation differences.

Independent Auditor's Report on Internal Control over Financial Reporting for Consolidation Purposes

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
LG Display Co., Ltd.

Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We have audited Internal Control over Financial Reporting of LG Display Co., Ltd. and its subsidiaries (collectively referred to as the "Group") for consolidation purposes as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting for consolidation purposes as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We also have audited, in accordance with Korean Standards on Auditing, the consolidated financial statements of the Group, which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements including material accounting policy information, and our report dated March 4, 2025 expressed unqualified opinion.

Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for consolidation purposes* section of our report. We are independent of the Group in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of internal control over financial reporting purposes for consolidation purposes and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for Internal Control over Financial Reporting for Consolidation Purposes

Management is responsible for designing, implementing and maintaining effective internal control over financial reporting for consolidation purposes, and for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes.

Those charged with governance have the responsibilities for overseeing internal control over financial reporting for consolidation purposes.

Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting for Consolidation Purposes

Our responsibility is to express an opinion on internal control over financial reporting for consolidation purposes of the Group based on our audit. We conducted the audit in accordance with Korean Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting for consolidation purposes was maintained in all material respects.

An audit of internal control over financial reporting for consolidation purposes involves performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit includes obtaining an understanding of internal control over financial reporting for consolidation purposes and testing and evaluating the design and operating effectiveness of internal control over financial reporting for consolidation purposes based on the assessed risk.

Definition and Inherent Limitations of Internal Control over Financial Reporting for Consolidation Purposes

The Group's internal control over financial reporting for consolidation purposes is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. The Group's internal control over financial reporting for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting for consolidation purposes may not prevent, or detect and correct, misstatements. Also, projections of any assessment of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor's report is Sang-Woo Nam, Certified Public Accountant.

Seoul, Korea
March 4, 2025

This report is effective as at March 4, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the Group's internal control over financial reporting for consolidation purposes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Management's Report on the Effectiveness of
Internal Control over Financial Reporting for Consolidation Purposes

(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors and Audit Committee of LG Display Co., Ltd.

We, as the Chief Executive Officer (CEO) and the Internal Control over Financial Reporting Officer of LG Display Co., Ltd. ("the Group"), assessed the effectiveness of the design and operation of the Group's Internal Control over Financial Reporting for consolidation purposes for the year ended December 31, 2024.

The Group's management, including ourselves, is responsible for designing and operating internal control over financial reporting for consolidation purposes.

We assessed the design and operating effectiveness of internal control over financial reporting for consolidation purposes in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable consolidated financial statements.

We designed and operated internal control over financial reporting for consolidation purposes in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting established by the Operating Committee of Internal Control over Financial Reporting in Korea. And, we conducted an evaluation of internal control over financial reporting for consolidation purposes based on Detailed Enforcement Rules of the Regulation on External Audit and Accounting, etc. Table 6 Internal Control over Financial Reporting Evaluation and Reporting Standards.

Based on the assessment results, we believe that the Group's internal control over financial reporting for consolidation purposes, as at December 31, 2024, is designed and operated effectively, in all material respects, in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which cause material misunderstandings, and we have reviewed and verified this report with sufficient due care.

<Attachment>

Internal control activities performed by the Group to address risks to embezzlement and other financial fraud

January 20, 2025

Cheoldong Jeong,
Chief Executive Officer

Sunghyun Kim,
Internal Control over Financial Reporting Officer

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<Attachment>
Internal control activities performed by the Group to address risks to embezzlement and other financial fraud

Internal control over Financial Reporting for Consolidation Purposes

Category	Control Activities Performed by the Group	Target Company	Design and Operation Assessment Results (Execution department, execution time, etc.)
Entity Level Control	<Operation of anti-fraud system> The management periodically notifies all executives and employees of the importance of ethical management related to the Code of Ethics and the Code of Conduct, and operates an anonymous reporting channel for violations of the Code of Ethics and internal accounting control regulations.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 16 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Periodic monitoring of Segregation of Duty Status> Internal Control & Consolidation Accounting Team defines incompatible tasks, and periodically monitors and reports on the adequacy of segregation of duty and access rights.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
Control of Treasury	<Account Registration Management> The cash management Team Leader reviews and approves the adequacy of account registration.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Seal, OTP management> Physical access to seals and OTPs is restricted except for the person in charge of the supervising department, and when using a seal, it can be stamped after confirming the purpose of use and approval details of the requesting department.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Segregation of Duty related to payment> Register Preliminary Payment, Electronic Payment, Internal Account Transfer, Foreign Exchange Transaction, etc., are separate from those in charge of the creator and the approver.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Daily Account Balance Reconciliation> The person in charge performs the reconciliation of the bank balance for each daily account and takes necessary action in case of any discrepancies.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Restriction on the use of corporate credit cards> Corporate cards are managed according to standards such as usage limits for each position, and the system is set up to prohibit the expense processing and approval for improper use.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 15 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)

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Other Process Level Control	<Supplier Account Registration Management> The discretionary authority of the department such as in charge of purchasing, etc., reviews and approves whether the evaluation details of the company for the new supplier meet the standards, and the cash management team leader checks the original documents required for the registration of the company and approves the account registration.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 17 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Sales Confirmation> At the end of each month, the person in charge of the sales department agrees/confirms the monthly sales amount with each customer, including the sales price and quantity by model, and reports it to the leader.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 12 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)
	<Report on Inventory Physical Inspection Results> The discretionary authority of the supervising department reviews and approves the results of the regular physical inspection of inventory assets.	LG Display Co., Ltd., LG Display High-Tech (China) Co., Ltd. and 16 others	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, ‘24.July, ‘24.November, ‘25.January)

LG DISPLAY CO., LTD.

Separate Financial Statements

For the Year Ended December 31, 2024

(With Independent Auditors' Report Thereon)

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Independent Auditor's Report

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
LG Display Co., Ltd.

Opinion

We have audited the financial statements of LG Display Co., Ltd. (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (Korean IFRS).

We have also audited, in accordance with Korean Standards on Auditing, the Company's Internal Control over Financial Reporting as of December 31, 2024, based on Conceptual Framework for Designing and Operating Internal Control over Financial Reporting, and our report dated March 4, 2025, expressed an unqualified opinion.

Basis for Opinion

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment test of cash generating units

Reasons why the matter was determined to be a key audit matter

As described in Note 9 and 10, the Company has classified the carrying amounts of property, plant, and equipment of ₩11,913,336 million and intangible assets of ₩1,485,789 million recognized as of the end of the reporting period into Display, Display (Large OLED), and Display (AD PO) cash generating units (CGUs). The Company identified indications of impairment due to the carrying amount of net assets being higher than market value as of the end of the reporting period and continuous operating losses due to competitive display market conditions. The Company performed an impairment test on the CGUs by evaluating the recoverable amount using the value in use calculated by applying the discounted cash flow model.

We determined the impairment test on the CGUs as a Key Audit Matter considering that significant judgment by management is involved in estimates such as cash flows and discount rates included in the Company's impairment test.

How our audit addressed the Key Audit Matter

We have performed the following audit procedures to address the Key Audit Matter.

- Understanding and evaluating the accounting policies and internal controls of the Company related to impairment testing
- Testing internal controls such as the management's review and approval of estimated business plan and significant assumptions for impairment testing
- Evaluating the completeness and accuracy of underlying data used in management's valuation model
- Verifying whether future cash flow estimates are consistent with business plans approved by management
- Evaluating the appropriateness of significant assumptions in valuation models including discount rates and growth rates by comparing them with external benchmarks within the industry and the Company's past financial information
- Evaluating the reasonableness of management's business plan estimates by comparing business plans established for each CGU in prior periods with actual performance for the current period
- Evaluating the competence and objectivity of independent external experts engaged by the Company
- Performing sensitivity analysis to assess the magnitude of changes in significant assumptions applied in valuation models that can result in impairment loss
- Evaluating the reasonableness of assumptions applied in a valuation model and discount rates used in the management's evaluation by utilizing auditor's valuation experts with professional skills and knowledge

(b) Assessment of recognition of deferred tax assets

Reasons why the matter was determined to be a key audit matter

As described in Note 24 to the financial statements, deferred tax assets recognized by the Company as of the end of the reporting period for temporary differences, tax loss carryforwards, and tax credit carryforwards amount to 3,474,990 million KRW. The Company evaluated the realizability of deferred tax assets considering the probability of generating taxable profit against which temporary differences, unused tax loss carryforwards, and tax credit carryforwards can be utilized.

We determined the assessment of realizability of deferred tax assets as a Key Audit Matter considering that significant judgment by management is involved in estimates such as expected taxable income and utilization of tax policy included in the Company's realizability assessment.

How our audit addressed the Key Audit Matter

We have performed the following audit procedures to address the Key Audit Matter.

- Understanding and evaluating the accounting policies and internal controls of the Company related to assessment of realizability of deferred tax assets
- Testing internal controls such as management's review and approval of significant assumptions in taxable profit forecasts and utilization of tax policy
- Evaluating whether expected taxable profit estimates are based on approved business plans, past performance, transfer pricing, and dividend policies
- Evaluating the appropriateness of management's estimates on future taxable profit by comparing past estimated taxable income with actual performance for the current period
- Evaluating the appropriateness of estimated timing for realization of temporary differences for tax purposes
- Evaluating whether expected tax rates applied to measure the deferred tax assets are based on enacted or substantively enacted tax rates by the end of the reporting period and expected to apply to accounting periods when assets are realized

Other Matters

The financial statements of the Company for the year ended December 31, 2023, were audited by another auditor who expressed an unqualified opinion on those statements on March 7,2023.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Korean IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Korean Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Korean Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Sang-Woo Nam, Certified Public Accountant.

Seoul, Korea
March 4, 2025

This report is effective as of March 4, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

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LG DISPLAY CO., LTD.
Separate Statements of Financial Position

As of December 31, 2024 and 2023

(In millions of won)	Note	December 31, 2024	December 31, 2023
Assets			
Cash and cash equivalents	4, 26	₩ 238,477	334,502
Deposits in banks	4, 26	—	20,000
Trade accounts and notes receivable, net	5, 15, 26, 29	4,964,594	3,077,901
Other accounts receivable, net	5, 26	215,920	95,178
Other current financial assets	6, 26	320,071	163,137
Inventories	7	1,786,678	1,780,959
Prepaid income tax		2,492	1,954
Classification of assets held for sale	30	1,016,645	—
Other current assets		102,518	116,851
Total current assets		8,647,395	5,590,482
Deposits in banks	4, 26	11	11
Investments	8	3,939,474	4,932,063
Other non-current accounts receivable, net	5, 26	9,679	13,833
Other non-current financial assets	6, 26	123,523	80,793
Property, plant and equipment, net	9	11,913,336	13,584,247
Intangible assets, net	10	1,485,789	1,683,029
Investment property	11	27,911	32,995
Deferred tax assets	24	3,474,990	3,387,504
Defined benefits assets, net	13	160,564	407,212
Other non-current assets		16,379	20,243
Total non-current assets		21,151,656	24,141,930
Total assets		₩ 29,799,051	29,732,412
Liabilities			
Trade accounts and notes payable	26, 29	₩ 12,011,544	8,993,964
Current financial liabilities	12, 26, 27, 28, 29	5,866,670	3,850,822
Other accounts payable	26	1,438,724	2,334,289
Accrued expenses		483,236	461,819
Provisions	14	103,962	115,834
Advances received	15	899,164	608,044
Other current liabilities		62,195	57,487
Total current liabilities		20,865,495	16,422,259
Non-current financial liabilities	12, 26, 27, 28, 29	4,308,608	5,985,874
Non-current provisions	14	60,908	63,805
Long-term advances received	15	220,500	967,050
Other non-current liabilities	26	547,742	611,869
Total non-current liabilities		5,137,758	7,628,598
Total liabilities		26,003,253	24,050,857
Equity			
Share capital	16	₩ 2,500,000	1,789,079
Share premium	16	2,821,006	2,251,113
Retained earnings (Accumulated deficit)	17	(1,525,208)	1,641,363
Total equity		3,795,798	5,681,555
Total liabilities and equity		₩ 29,799,051	29,732,412

See accompanying notes to the separate financial statements.

LG DISPLAY CO., LTD.

Separate Statements of Comprehensive Loss

For the years ended December 31, 2024 and 2023

(In millions of won, except loss per share amounts)	Note	2024	2023
Revenue	18, 29	₩ 25,178,688	19,811,015
Cost of sales	7, 19, 29	(24,476,213)	(21,446,905)
Gross profit (loss)		702,475	(1,635,890)
Selling expenses	19, 20	(294,153)	(280,262)
Administrative expenses	19, 20	(781,822)	(600,587)
Research and development expenses	19	(1,427,125)	(1,367,382)
Operating loss		(1,800,625)	(3,884,121)
Finance income	22	704,770	2,411,597
Finance costs	22	(1,254,153)	(877,350)
Other non-operating income	21	1,702,506	995,791
Other non-operating expenses	21	(2,439,989)	(1,278,031)
Loss before income tax		(3,087,491)	(2,632,114)
Income tax benefit	23	52,755	913,413
Loss for the year		(3,034,736)	(1,718,701)
Other comprehensive income (loss)			
Items that will never be reclassified to profit or loss			
Remeasurements of net defined benefit liabilities	13	(131,835)	49,817
Other comprehensive income (loss) for the year, net of income tax		(131,835)	49,817
Total comprehensive loss for the year		₩ (3,166,571)	(1,668,884)
Loss per share (in won)			
Basic loss per share	25	₩ (6,440)	(4,512)
Diluted loss per share	25	₩ (6,440)	(4,512)

See accompanying notes to the separate financial statements.

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LG DISPLAY CO., LTD.

Separate Statements of Changes in Equity

For the years ended December 31, 2024 and 2023

(In millions of won)	Note	Share capital	Share premium	Retained earnings (Accumulated deficit)	Other capital	Total equity
Balances at January 1, 2023		₩ 1,789,079	2,251,113	3,310,247	—	7,350,439
Total comprehensive loss for the year						
Loss for the year		—	—	(1,718,701)	—	(1,718,701)
Other comprehensive loss						
Remeasurements of net defined benefit liabilities		—	—	49,817	—	49,817
Total comprehensive loss for the year		₩ —	—	(1,668,884)	—	(1,668,884)
Balances at December 31, 2023		₩ 1,789,079	2,251,113	1,641,363	—	5,681,555
Balances at January 1, 2024		₩ 1,789,079	2,251,113	1,641,363	—	5,681,555
Total comprehensive loss for the year						
Loss for the year		—	—	(3,034,736)	—	(3,034,736)
Other comprehensive loss						
Remeasurements of net defined benefit liabilities		—	—	(131,835)	—	(131,835)
Total comprehensive loss for the year		₩ —	—	(3,166,571)	—	(3,166,571)
Transaction with owners, recognized directly in equity						
Capital increase	16	710,921	569,893	—	—	1,280,814
Balances at December 31, 2024		₩ 2,500,000	2,821,006	(1,525,208)	—	3,795,798

See accompanying notes to the separate financial statements.

LG DISPLAY CO., LTD.
Separate Statements of Cash Flows

For the years ended December 31, 2024 and 2023

(In millions of won)	Note	2024	2023
Cash flows from (used in) operating activities:			
Cash generated from operations	28	₩ 724,337	30,185
Income taxes paid		(12,900)	(76,208)
Interests received		20,559	15,400
Interests paid		(634,631)	(610,152)
Cash flows from (used in) operating activities		97,365	(640,775)
Cash flows from (used in) investing activities:			
Dividends received		228,833	1,887,196
Increase in deposits in banks		—	(20,000)
Proceeds from withdrawal of deposits in banks		20,000	42,804
Acquisition of financial assets at fair value through other comprehensive income		—	(3,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income		—	2,671
Proceeds from disposal of financial assets at fair value through profit or loss		5,185	—
Acquisition of investments		(979,633)	(98,740)
Proceeds from disposal of investments		942,708	—
Acquisition of property, plant and equipment		(1,380,057)	(2,145,138)
Proceeds from disposal of property, plant and equipment		248,271	488,194
Acquisition of intangible assets		(745,033)	(650,877)
Proceeds from disposal of intangible assets		6,257	6,328
Proceeds from settlement of derivatives		274,173	178,610
Decrease in short-term loans		19,697	27,411
Increase in deposits		(1,019)	(354)
Decrease in deposits		593	134
Proceeds from disposal of greenhouse gas emission permits		14,394	6,659
Cash flows used in investing activities:		(1,345,631)	(278,102)
Cash flows from (used in) financing activities:	28		
Proceeds from short-term borrowings		5,496,777	5,960,167
Repayments of short-term borrowings		(4,740,405)	(6,488,262)
Proceeds from issuance of bonds		—	469,266
Repayments of bonds		(370,000)	(433,990)
Proceeds from long-term borrowings		2,114,901	2,839,878
Repayments of current portion of long-term borrowings		(2,622,312)	(1,778,174)
Payment guarantee fee received		7,427	7,195
Repayments of payment guarantee fee		(1,114)	(2,134)
Capital increase		1,292,455	—
Transaction cost from capital increase		(11,641)	—
Payment of lease liabilities		(13,847)	(12,879)
Cash flows from financing activities		1,152,241	561,067
Net decrease in cash and cash equivalents		(96,025)	(357,810)
Cash and cash equivalents at January 1		334,502	692,312
Cash and cash equivalents at December 31		₩ 238,477	334,502

See accompanying notes to the separate financial statements.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

1. Organization and Description of Business

LG Display Co., Ltd. (the "Company") was incorporated in February 1985 and the Company is a public corporation listed in the Korea Exchange since 2004. The main business of the Company is to manufacture and sell displays and its related products. As of December 31, 2024, the Company is operating Thin Film Transistor Liquid Crystal Display ("TFT-LCD") and Organic Light Emitting Diode ("OLED") panel manufacturing plants in Gumi, Paju and China and TFT-LCD and OLED module manufacturing plants in Gumi, Paju, China and Vietnam. The Company is domiciled in the Republic of Korea with its address at 128 Yeouidae-ro, Yeongdeungpo-gu, Seoul, the Republic of Korea. As of December 31, 2024, LG Electronics Inc., a major shareholder of the Company, owns 36.72% (183,593,206 shares) of the Company's common stock.

As of December 31, 2024, 500,000,000 shares of the Company's common stock are listed on Korea Exchange under the identifying code 034220, and 20,944,314 American Depository Shares ("ADSs", 2 ADSs represent one share of common stock) are listed on the New York Stock Exchange under the symbol "LPL".

2. Basis of Presenting Financial Statements

(a) Application of accounting standards

In accordance with the Act on External Audits of Stock Companies, Etc., these separate financial statements have been prepared in accordance with Korean International Financial Reporting Standards ("K-IFRS").

These financial statements are separate financial statements prepared in accordance with K-IFRS No.1027, Separate Financial Statements, presented by a parent, an investor in an associate or a venture in a joint ventures, in which the investments are accounted for on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees.

The separate financial statements were authorized for issuance by the Board of Directors on January 20, 2025, which will be submitted for approval to the shareholders' meeting to be held on March 20, 2025.

(b) Basis of Measurement

The separate financial statements have been prepared on the historical cost basis except for the following material items in the separate statement of financial position:

- derivative financial instruments at fair value, financial assets at fair value through profit or loss("FVTPL"), financial assets at fair value through other comprehensive income ("FVOCI"), financial liabilities at fair value through profit or loss("FVTPL"), and
- net defined benefit liabilities (defined benefit assets) recognized at the present value of defined benefit obligations less the fair value of plan assets

(c) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which each entity operates (the "functional currency"). The separate financial statements are presented in Korean won, which is the Company's functional currency.

2. Basis of Presenting Financial Statements, Continued

(d) Estimates and Judgments

As the resulting accounting estimates will, by definition, seldom equal the related actual results, it can contain a significant risk of causing a material adjustment.

Estimates and assumptions are continuously evaluated and taken into account future events that are reasonably predictable in light of past experiences and current situations. Changes in accounting estimates are recognized during the period which the estimates have been changed and the future periods to be affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Additional information of significant judgement and assumptions of certain items are included in relevant notes.

(i) Impairment of goodwill, etc.

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations (Note 10).

(ii) Income Tax

The Company's taxable income generated from these operations are 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. The Company estimates the income tax effects expected to be incurred in the future as a result of its operating activities up to the end of the reporting period and recognizes them as current and deferred income taxes. However, the actual future income tax burden may not match the recognized related assets and liabilities, and such differences may affect the current and deferred income tax assets and liabilities at the time the expected income tax effects are realized.

In addition, deferred tax assets are recognized to the extent that it is probable that taxable income will be generated during the periods when temporary differences, unused tax losses, and tax credits are realized. Significant judgments are made to determine the book value of deferred tax assets that can be recognized based on the timing and level of future taxable income.

(iii) Net defined benefit liabilities (defined benefit assets)

The present value of defined benefit obligations can vary depending on various factors determined by actuarial methods. The assumptions applied to determine the net cost (profit) of retirement benefits include the discount rate, which represents the interest rate that should be applied to determine the present value of the estimated future cash outflows expected to occur upon the settlement of defined benefit obligations. An appropriate discount rate is determined by considering the yield on high-quality corporate bonds with maturities similar to the duration of the related pension liabilities, expressed in the currency in which the pension is paid. Other key assumptions related to defined benefit obligations are based on current market conditions.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies

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

(a) Interest in subsidiaries, associates and joint ventures

These separate financial statements are prepared and presented in accordance with K-IFRS No.1027, Separate Financial Statements. The Company applied the cost method to investments in subsidiaries, associates and joint ventures. Dividends from subsidiaries, associates or joint ventures are recognized in profit or loss when the right to receive the dividend is established.

(b) Foreign Currency Translation

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate on the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on translation are recognized in profit or loss, except for differences arising on an investment in equity instruments designated as at FVOCI and a financial asset and liability designated as a cash flow hedge, which are recognized in other comprehensive income. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition are recognized in profit or loss in the period in which they arise. Foreign currency differences arising from assets and liabilities in relation to the investing and financing activities including borrowings, bonds and cash and cash equivalents are recognized in finance income (costs) in the separate statement of comprehensive income (loss) and foreign currency differences arising from assets and liabilities in relation to activities other than investing and financing activities are recognized in other non-operating income (expense) in the separate statement of comprehensive income (loss). Foreign currency differences are presented in gross amounts in the separate statement of comprehensive income (loss).

(c) Cash and cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash.

(d) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted-average method, and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated selling expenses. In the case of manufactured inventories and work-in-process, cost includes an appropriate share of production overheads based on the actual capacity of production facilities. However, the normal capacity is used for the allocation of fixed production overheads if the actual level of production is lower than the normal capacity.

3. Material Accounting Policies, Continued

(e) Financial Instruments

(i) Non-derivative financial assets

Recognition and initial measurement

Trade receivables and debt instruments issued are initially recognized when they are originated. All other financial assets are recognized in statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

i) Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investments; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the subsequent reporting period following the change in the business model.

A financial asset is measured as at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured as at FVTPL. This includes all derivative financial assets. At initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

ii) Financial assets: business model

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice (these include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets);
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sale for this purpose.

A financial asset that is held for trading or is managed and whose performance is evaluated on a fair value basis is measured at FVTPL.

iii) Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of the assessment, "principal" is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and cost (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers.

- contingent events that would change the amount or timing of cash flows:
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest or the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued but unpaid contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

iv) Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, it transfers the rights to receive the contractual cash flows of the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or it transfers or does not retain substantially all the risks and rewards of ownership of a transferred asset, and does not retain control of the transferred asset.

If the Company has retained substantially all the risks and rewards of ownership of the transferred asset, the Company continues to recognize the transferred asset.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

(ii) Non-derivative financial liabilities

The Company classifies financial liabilities into two categories, financial liabilities at FVTPL and other financial liabilities in accordance with the substance of the contractual arrangement and the definitions of financial liabilities, and recognizes them in the separate statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities at FVTPL include financial liabilities held for trading or designated as such upon initial recognition at FVTPL. After initial recognition, financial liabilities at FVTPL are measured at fair value, and changes therein are recognized in profit or loss. Upon initial recognition, transaction costs that are directly attributable to the issuance of financial liabilities are recognized in profit or loss as incurred.

Non-derivative financial liabilities other than financial liabilities classified as at FVTPL are classified as other financial liabilities and measured initially at fair value minus transaction costs that are directly attributable to the issuance of financial liabilities. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. As of December 31, 2023, non-derivative financial liabilities comprise borrowings, bonds, trade accounts and notes payable, other accounts payable and others.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

(iii) Derivative financial instruments

Derivatives are initially recognized at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

Hedge Accounting

If necessary, the Company designates derivatives as hedging items to hedge the risk of changes in the fair value of assets, liabilities or firm commitments (a fair value hedge) and foreign currency risk of highly probable forecasted transactions or firm commitments (a cash flow hedge).

On initial designation of the hedge, the Company's management formally designates and documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objectives and strategy in undertaking the hedge transaction, together with the methods that will be used to assess the effectiveness of the hedging relationship, both at the inception of the hedge relationship as well as on an ongoing basis.

i) Fair value hedges

Change in the fair value of a derivative hedging instrument designated as a fair value hedge and the hedged item is recognized in profit or loss, respectively. The gain or loss from remeasuring the hedging instrument at fair value and the gain or loss on the hedged item attributable to the hedged risk are recognized in profit or loss in the same line item of the statement of comprehensive income (loss). The Company discontinues fair value hedge accounting if the hedging instrument expires or is sold, terminated or exercised; or if the hedge no longer meets the criteria for hedge accounting.

ii) Cash flow hedges

When a derivative designated as a cash flow hedging instrument meets the criteria of cash flow hedge accounting, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and the ineffective portion of changes in the fair value of the derivative is recognized in profit or loss. The Company discontinues cash flow hedge accounting if the hedging instruments expires or is sold, terminated or exercised; or if the hedge no longer meets the criteria for hedge accounting. The cumulative gain or loss on the hedging instrument that has been recognized in other comprehensive income is reclassified to profit or loss in the periods during which the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, then the balance in other comprehensive income is recognized immediately in profit or loss.

3. Material Accounting Policies, Continued

(e) Financial Instruments, Continued

Embedded derivative

Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Other derivative financial instruments

Other derivative financial instruments are measured at fair value and changes of their fair value are recognized in profit or loss.

(iv) Financial guarantee agreement

A financial guarantee agreement is a contract in which a certain amount of money must be paid to compensate for the loss incurred by the holder due to the failure of a particular debtor to pay on the due date in accordance with the terms of the original contract or the changed terms of the debt product. Financial guarantee contracts are measured at fair value at the time of initial recognition, and after initial recognition, they are measured by the higher of the following and displayed as 'Financial Liabilities' in the separate statement of financial position.

- The amount determined in accordance with the expected credit loss model under Korean IFRS 1109 *Financial Instruments*
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with Korean IFRS 1115 *Revenue from Contracts with Customers*

(f) Property, Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes an expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and recognized in other non-operating income or other non-operating expenses.

(ii) Subsequent costs

Subsequent expenditure on an item of property, plant and equipment is recognized as part of its cost only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(f) Property, Plant and Equipment, Continued

(iii) Depreciation

Land is not depreciated and depreciation of other items of property, plant and equipment is recognized in profit or loss on a straight-line basis, reflecting the pattern in which the asset's future economic benefits are expected to be consumed by the Company. The residual value of property, plant and equipment is zero.

Typical estimated useful lives of the assets are as follows:

	Typical estimated useful lives (years)
Buildings and structures	20~40
Machinery	4, 5
Furniture and fixtures	4
Equipment, tools and vehicles	2, 4, 12
Right-of-use assets	(*)

(*) The Company depreciates the right-of-use assets from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate and any changes are accounted for as changes in accounting estimates.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(g) Borrowing Costs

The Company capitalizes borrowing costs, which includes interests and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. To the extent that the borrowings are directly attributable to the purpose of obtaining a qualifying asset, the Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. The Company immediately recognizes other borrowing costs as an expense.

(h) Government Grants

In case there is reasonable assurance that the Company will comply with the conditions attached to a government grant, the government grant is recognized as follows:

(i) Grants related to the purchase or construction of assets

A government grant related to the purchase or construction of assets is deducted in calculating the carrying amount of the asset. The grant is recognized in profit or loss over the life of a depreciable asset as a reduced depreciation expense and cash related to grant received is presented in investing activities in the statement of cash flows.

(ii) Grants for compensating the Company's expenses incurred

A government grant that compensates the Company for expenses incurred is recognized in profit or loss as a deduction from relevant expenses on a systematic basis in the periods in which the expenses are recognized.

(iii) Other government grants

A government grant that becomes receivable for the purpose of giving immediate financial support to the Company with no compensation for expenses or losses already incurred or no future related costs is recognized as income of the period in which it becomes receivable.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(i) Intangible Assets

Intangible assets are initially measured at cost. Subsequently, intangible assets are measured at cost less accumulated amortization and accumulated impairment losses.

(i) Goodwill

Goodwill arising from business combinations is recognized as the excess of the acquisition cost of a business over the net fair value of the identifiable assets acquired and liabilities assumed. Any deficit is a bargain purchase that is recognized in profit or loss. Goodwill is measured at cost less accumulated impairment losses.

(ii) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in profit or loss as incurred. Development activities involve a plan or design of the production of new or substantially improved products and processes. Development expenditure is capitalized as intangible assets only if the Company can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- its intention to complete the intangible asset and use or sell it,
- its ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits (among other things, the Company can demonstrate the usefulness of the intangible asset by existence of a market for the output of the intangible asset or the intangible asset itself if it is to be used internally),
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Development projects are divided into research activities and development activities. Expenditures on research activities are recognized in profit or loss and qualifying development expenditures on development activities are capitalized.

The expenditure capitalized includes the cost of materials, direct labor and overhead costs that are directly attributable to preparing the asset for its intended use, and borrowing costs on qualifying assets.

(iii) Other intangible assets

Other intangible assets include intellectual property rights, software, customer relationships, technology, memberships and others. The Company currently has a number of patent license agreements related to product production. When the amount of payments is determined, it is recognized as intangible assets as intellectual property rights and other account payables, respectively, and the intangible assets are amortized on a straight-line basis over the patent license period.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(i) Intangible Assets, Continued

(iv) Subsequent costs

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific intangible asset to which they relate. All other expenditures, including expenditures on internally generated goodwill and brands, are recognized in profit or loss as incurred.

(v) Amortization

Amortization is calculated on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The residual value of intangible assets is zero. However, as there are no foreseeable limits to the periods over which condominium and golf club memberships are expected to be available for use, these intangible assets are regarded as having indefinite useful lives and not amortized.

Typical estimated useful lives of the intangible assets are as follows:

	Typical estimated useful lives (years)
Intellectual property rights	5, 10, (*1)
Software	4, (*1)
Technology	10
Development costs	(*2)
Condominium and golf club memberships	Indefinite

(*1) Patent royalty (included in intellectual property rights) and software license are amortized over the useful lives considering the contract period.

(*2) Capitalized development costs are amortized over the useful lives considering the life cycle of the developed products.

Amortization periods and the amortization methods for intangible assets with finite useful lives are reviewed at each financial year-end. The useful lives of intangible assets with indefinite useful lives are reviewed at each financial year-end to determine whether events and circumstances continue to support indefinite useful life assessments for those assets. If appropriate, the changes are accounted for as changes in accounting estimates.

(j) Investment Property

Property held to earn rentals or for capital appreciation or both is classified as investment property. Investment properties are initially measured at cost, including transaction costs incurred at the time of acquisition, and subsequently, measured at cost less accumulated depreciation and accumulated impairment loss.

Subsequent expenditure on an item of investment property is recognized as part of its cost only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognized. All other subsequent expenditures are expensed in the period in which it is incurred.

3. Material Accounting Policies, Continued

(j) Investment Property, Continued

Among investment properties, land is not depreciated, and investment properties except land are depreciated on a straight-line basis by applying 20 years of the building according to the economic depreciation period. Depreciation methods, useful lives and residual values of investment properties are reviewed at each reporting period-end and if appropriate, the changes are accounted for as changes in accounting estimates.

(k) Impairment

(i) Financial assets

Financial instruments and contract assets

The Company recognizes loss allowance for financial assets measured at amortized cost and debt investments at FVOCI at the 'expected credit loss' (ECL).

The Company recognizes a loss allowance for the life-time expected credit losses except for following, which are measured at 12-month ECLs:

- debt instruments that are determined to have low credit risk at the reporting date; and
- other debt instruments and bank deposits for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of the ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Estimation of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured using the present value of the difference between the contractual cash flows and the expected contractual cash flows. The expected credit losses are discounted using effective interest rate of the financial assets.

3. Material Accounting Policies, Continued

(k) Impairment, Continued

Credit-impaired financial assets

At each reporting period-end, the Company assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the issuer or the borrower;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of loss allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt instruments at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI instead of reducing the carrying amount of financial assets in the separate statement of financial position.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations for recovering the financial asset in its entirety or a portion thereof. The Company assess whether there are reasonable expectations of recovering the contractual cash flows from customers and individually assess the timing and amount of write-off. The Company expects no significant recovery from the amount written-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

3. Material Accounting Policies, Continued

(k) Impairment, Continued

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than assets arising from employee benefits, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, irrespective of whether there is any indication of impairment, the recoverable amount is estimated each year.

Recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit ("CGU") is the smallest group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. In identifying whether cash inflows from an asset or group of assets are largely independent of the cash inflows from other assets or groups of assets, the Company considers various factors including how management monitors the entity's operations or how management makes decisions about continuing or disposing of the entity's assets and operations. In the Company's consolidated financial statements, each CGU is comprised of a group of assets of the Company and its other subsidiaries, because the non-current assets of the Company generate independent cash inflows only in combination with certain assets of the subsidiary. The Company's cash-generating units consist of Display CGU, Display (Large OLED) CGU and Display (AD PO) CGU. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or cash-generating unit is determined as the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Fair value less costs to sell is based on the best information available to reflect the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of a CGU are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the unit on a pro rata basis.

In respect of assets other than goodwill, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or amortization, if no impairment loss had been recognized from the acquisition cost. An impairment loss in respect of goodwill is not reversed.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(l) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of its relative stand-alone price. For certain leases, the Company accounts for the lease and non-lease components as a single lease component by applying the practical expedient not to separate non-lease components.

The Company recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

3. Material Accounting Policies, Continued

(l) Lease, Continued

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured the Company recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in profit or loss.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'financial liabilities' in the separate statement of financial position.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(l) Lease, Continued

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

At the commencement date, the Company recognizes assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease and recognize finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

(m) Provisions

A provision is recognized, as a result of a past event, if the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The risks and uncertainties that inevitably surround events and circumstances are taken into account in reaching the best estimate of a provision. Where the effect of the time value of money is material, provisions are determined at the present value of the expected future cash flows. The unwinding of the discount is recognized as finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

The Company recognizes a liability for warranty obligations based on the estimated costs expected to be incurred under its basic limited warranty. This warranty covers defective products and is normally applicable for a warranty period from the date of purchase. These liabilities are accrued when product revenues are recognized. Factors that affect the Company's warranty liability include historical and anticipated rates of warranty claims on those repairs and cost per claim to satisfy the Company's warranty obligation. Warranty costs primarily include raw materials and labor costs. As these factors are impacted by actual experience and future expectations, management periodically assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary. Accrued warranty obligations are included in the current and non-current provisions.

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties and other sources, are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
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3. Material Accounting Policies, Continued

(n) Non-current Assets Held for Sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily from sale rather than through continuing use. In order to be classified as held for sale, the asset (or disposal group) is available for immediate sale in its present condition and its sale is highly probable. The assets (or disposal groups) that are classified as non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell on initial classification. The Company recognizes an impairment loss for any subsequent decrease in fair value of the asset (or disposal group) for which an impairment loss was recognized on initial classification as held-for-sale and a gain for any subsequent increase in fair value in profit or losses, up to the cumulative impairment loss previously recognized.

The Company does not depreciate a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

(o) Employee Benefits

(i) Short-term employee benefits

Short-term employee benefits that are due to be settled within twelve months after the end of the period in which the employees render the related service are recognized in profit or loss on an undiscounted basis. The expected cost of profit-sharing and bonus plans and others are recognized when the Company has a present legal or constructive obligation to make payments as a result of past events and a reliable estimate of the obligation can be made.

(ii) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

(iii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss in the period during which services are rendered by employees.

3. Material Accounting Policies, Continued

(o) Employee Benefits, continued

(iv) Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than defined contribution plans. The Company's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

The calculation is performed annually by an independent actuary using the projected unit credit method. The discount rate is the yield at the reporting date on high quality corporate bonds that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The Company recognizes remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions related to the defined benefit plans in other comprehensive income and transfers immediately to retained earnings.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Consequently, the net interest on the net defined benefit liability (asset) now comprises: interest cost on the defined benefit obligation, interest income on plan assets, and interest on the effect of the asset ceiling.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Termination benefits

The Company recognizes expense for termination benefits at the earlier of the date when the entity can no longer withdraw the offer of those benefits and when the entity recognizes costs for a restructuring involving the payment of termination benefits. If the termination benefits are not expected to be settled wholly before twelve months after the end of the annual reporting period, the Company measures the termination benefit with present value of future cash payments.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(p) Revenue from contracts with customers

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of estimated returns, trade discounts, volume rebates and other cash incentives paid to customers.

The Company recognizes revenue according to the five-stage revenue recognition model (① Identifying the contract →②Identifying performance obligations →③ Determining transaction price →④ Allocating the transaction price to performance obligations →⑤ Recognizing revenue for performance obligations).

The Company generates revenue primarily from sale of display panels. Product revenue is recognized when a customer obtains control over the Company's products, which typically occurs upon shipment or delivery depending on the terms of the contracts with the customer.

The Company includes return option in the sales contract of display panels with its customers and the consideration receivable from the customer is subject to change due to returns. The Company estimates an amount of variable consideration by using the expected value method with which the Company expects to better predict the amount of consideration. The Company includes in the transaction price an amount of variable consideration estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur during the return period when the uncertainty associated with the variable consideration is subsequently resolved. The Company recognizes a refund liability and an asset for its right to recover products from customers if the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer. Sales taxes or value-added taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and are excluded from revenues in the separate statement of comprehensive income (loss).

(q) Operating Segments

An operating segment is a component of the Company that: 1) engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other components of the Company, 2) whose operating results are reviewed regularly by the Company's chief operating decision maker ("CODM") in order to allocate resources and assess its performance, and 3) for which discrete financial information is available. Management has determined that the CODM of the Company is the Board of Directors. The CODM does not receive and therefore does not review discrete financial information for any component of the Company. Consequently, no operating segment information is included in these separate financial statements. Entity wide disclosures of geographic and product revenue information are provided in Note 18 to these consolidated financial statements.

(r) Finance Income and Finance Costs

Finance income comprises interest income on funds invested (including debt instruments measured at FVOCI), dividend income, gains on disposal of debt instruments measured at FVOCI and changes in fair value of financial instruments at FVTPL. Interest income is recognized as it accrues in profit or loss, using the effective interest method. Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, gain and losses from financial instruments measured at FVTPL and impairment losses recognized on financial assets. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(s) Income Tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. The taxable profit is different from the accounting profit for the period since the taxable profit is calculated excluding the temporary differences, which will be taxable or deductible in determining taxable profit (tax loss) of future periods, and non-taxable or non-deductible items from the accounting profit.

(ii) Deferred tax

Deferred tax is recognized, using the asset and liability method, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company recognizes a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, except to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that the differences relating to investments in subsidiaries, associates and joint ventures will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period, considering the likelihood of generating taxable income against which temporary differences, unused tax loss carryforwards, and tax credit carryforwards can be utilized. The potential taxable income is estimated based on business plans approved by management, historical experience of taxable income estimates, and tax policies including the transfer pricing of the separate entity. Additionally, future taxable income includes the anticipated permanent differences, considering the realization effect of temporary differences consistent with the business plan and the dividend policy of the separate entity. The Company recognizes deferred tax assets to the extent that it is probable that sufficient taxable income will be generated in the future, or there are sufficient taxable temporary differences available to utilize unused tax losses, etc.

The Company offsets deferred tax assets and deferred tax liabilities if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3. Material Accounting Policies, Continued

(t) Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding, adjusted for the effects of all dilutive potential common shares such as convertible bonds and others.

(u) Accounting standards and Interpretation issued and adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing January 1, 2024.

(i) Amendments to Korean IFRS 1001 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants

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

(ii) Amendments to Korean IFRS 1007 *Statement of Cash Flows*, Korean IFRS 1107 *Financial Instruments: Disclosures* – Supplier finance arrangements

When applying supplier finance arrangements, an entity shall disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk. (Note 26)

(iii) Amendments to Korean IFRS 1116 *Leases* – Lease Liability in a Sale and Leaseback

When subsequently measuring lease liabilities arising from a sale and leaseback, a seller-lessee shall determine lease payments or revised lease payments in a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not have a significant impact on the financial statements.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
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3. Material Accounting Policies, Continued

(u) Accounting standards and Interpretation issued and adopted by the Company, Continued

(iv) Amendments to Korean IFRS 1001 *Presentation of Financial Statements* – Disclosure of Cryptographic Assets

The amendments require an additional disclosure if an entity holds cryptographic assets, or holds cryptographic assets on behalf of the customer, or issues cryptographic assets. The amendments do not have a significant impact on the financial statements.

(v) New standards and interpretations not yet adopted by the Company

The following new accounting standards and interpretations have been published that are not mandatory for December 31, 2024 reporting periods and have not been early adopted by the Company.

(i) Amendments to Korean IFRS 1021 *Effect of Exchange Rate Fluctuations*, Amendments to Korean IFRS 1101 *First Adoption of International Generally Accepted Accounting Principles Adopted by Korea* – Lack of exchangeability

The amendment requires the entity to disclose the relevant information when an entity estimates a spot exchange rate because exchangeability between two currencies is lacking. The amendments will take effect in fiscal years beginning on or after January 1, 2025, and will allow for early application. The amendments do not have a significant impact on the financial statements.

(ii) Amendments to Korean IFRS 1109 *Financial Instruments*, Amendments to Korean IFRS 1107 *Financial Instruments: Disclosure*

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

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

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

3. Material Accounting Policies, Continued

(v) New standards and interpretations not yet adopted by the Company, Continued

(iii) Annual Improvements to Korean IFRS – Volume 11

Annual Improvements to Korean IFRS – Volume 11 shall be effective for fiscal years beginning on or after January 1, 2026, and early application is effective. The amendments are not expected to have a significant impact on the financial statements.

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

4. Cash and Cash Equivalents and Deposits in Banks

Details of cash and cash equivalents and deposits in banks as of December 31, 2024 and 2023 are as follows:

(In millions of won)		December 31, 2024	December 31, 2023
Current assets			
Cash and cash equivalents			
Deposits	₩	238,477	334,502
Deposits in banks			
Time deposits (*)	₩	—	20,000
Non-current assets			
Deposits in banks			
Deposit for checking account	₩	11	11

(*) The balance as of December 31, 2023, consists of funds for business cooperation to aid LG Group companies' suppliers, which is restricted in use.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

5. Trade Accounts and Notes Receivable, and Other Accounts Receivable

(a) Details of trade accounts and notes receivable and other accounts receivable as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Trade accounts and notes receivable	₩ 4,964,594	3,077,901
Other accounts receivable		
Non-trade receivables, net	206,313	108,769
Accrued income, net	19,286	242
Subtotal	225,599	109,011
Total	₩ 5,190,193	3,186,912

(b) The aging of trade accounts and notes receivable and other accounts receivable as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024			
	Original Amount		Allowance for doubtful account	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Not past due	₩ 4,962,069	183,436	(362)	(283)
1-15 days past due	2,887	37,621	—	(2)
16-30 days past due	—	1,914	—	(1)
31-60 days past due	—	350	—	(3)
More than 60 days past due	—	2,575	—	(8)
Total	₩ 4,964,956	225,896	(362)	(297)

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5. Trade Accounts and Notes Receivable, and Other Accounts Receivable, Continued

(In millions of won)	December 31, 2023			
	Original Amount		Allowance for doubtful account	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Not past due	₩ 3,074,502	105,816	(234)	(62)
1-15 days past due	198	1,357	—	—
16-30 days past due	3,435	156	—	(2)
31-60 days past due	—	168	—	(2)
More than 60 days past due	—	1,592	—	(12)
Total	₩ 3,078,135	109,089	(234)	(78)

The movement in the allowance for doubtful account in respect of trade accounts and notes receivable and other accounts receivable for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024		2023	
	Trade accounts and notes receivable	Other accounts receivable	Trade accounts and notes receivable	Other accounts receivable
Beginning balance	₩ 234	78	229	1,418
(Reversal of) bad debt expense	128	219	5	(8)
Write-off	—	—	—	(1,332)
Ending balance	₩ 362	297	234	78

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

6. Other Financial Assets

Details of other financial assets as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Current assets		
Financial assets at fair value through profit or loss		
Derivatives (*1)	₩ 186,676	136,762
Fair value hedging derivatives		
Derivatives (*2)	₩ 99,116	—
Financial assets at amortized cost		
Deposits	₩ 8,181	—
Short-term loans	26,098	26,375
Subtotal	₩ 34,279	26,375
Total	₩ 320,071	163,137
Non-current assets		
Financial assets at fair value through profit or loss		
Equity securities	₩ 22,138	3,967
Convertible securities	—	1,838
Derivatives (*1)	69,575	32,941
Subtotal	₩ 91,713	38,746
Fair value hedging derivatives		
Derivatives (*2)	₩ 19,982	—
Financial assets at amortized cost		
Deposits	₩ 783	8,538
Long-term loans	11,045	33,509
Subtotal	₩ 11,828	42,047
Total	₩ 123,523	80,793

(*1) The derivatives, which are not designated as hedging instruments, arise from cross currency interest rate swap contracts and others for the purpose of managing currency and interest rate risks associated with foreign currency denominated borrowings and bonds.

(*2) The derivatives, which are designated as hedging instruments, arise from forward exchange contracts for the purpose of managing currency risk associated with advances received in foreign currency.

LG DISPLAY CO., LTD.
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For the years ended December 31, 2024 and 2023

7. Inventories

Details of inventories as of December 31, 2024 and 2023 are as follows:

1) December 31, 2024

(In millions of won)

	Cost	Valuation allowance	Carrying amount
Finished goods	₩ 377,955	(29,308)	348,647
Work-in-process	1,003,741	(79,673)	924,068
Raw materials	435,557	(16,441)	419,116
Supplies	111,539	(16,692)	94,847
Total	₩1,928,792	(142,114)	1,786,678

2) December 31, 2023

(In millions of won)

	Cost	Valuation allowance	Carrying amount
Finished goods	₩ 321,638	(42,155)	279,483
Work-in-process	1,071,205	(66,180)	1,005,025
Raw materials	435,412	(27,334)	408,078
Supplies	106,548	(18,175)	88,373
Total	₩1,934,803	(153,844)	1,780,959

For the years ended December 31, 2024 and 2023, the amount of inventories recognized as cost of sales and loss reversal on valuation of inventories are as follows:

(In millions of won)

	2024	2023
Cost of sales	₩24,476,213	21,446,905
Inventories recognized as expense	24,487,943	21,482,257
Reversal of loss on valuation of inventories	(11,730)	(35,352)

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8. Investments

(a) Details of investments in subsidiaries as of December 31, 2024 and 2023, are as follows:

(In millions of won)

Subsidiaries	Location	Business	December 31, 2024 Percentage of ownership	December 31, 2024 Carrying Amount	December 31, 2023 Percentage of ownership	December 31, 2023 Carrying Amount
LG Display America, Inc.	San Jose, U.S.A.	Sales of display products	100%	₩ 36,815	100%	₩ 36,815
LG Display Germany GmbH	Eschborn, Germany	Sales of display products	100%	19,373	100%	19,373
LG Display Japan Co., Ltd.	Tokyo, Japan	Sales of display products	100%	15,686	100%	15,686
LG Display Taiwan Co., Ltd.	Taipei, Taiwan	Sales of display products	100%	35,230	100%	35,230
LG Display Nanjing Co., Ltd.	Nanjing, China	Production of display products	100%	593,726	100%	593,726
LG Display Shanghai Co., Ltd.	Shanghai, China	Sales of display products	100%	9,093	100%	9,093
LG Display Guangzhou Co., Ltd. (*1)	Guangzhou, China	Production of display products	100%	—	100%	293,557
LG Display Shenzhen Co., Ltd.	Shenzhen, China	Sales of display products	100%	3,467	100%	3,467
LG Display Singapore Pte. Ltd.	Singapore	Sales of display products	100%	1,250	100%	1,250
L&T Display Technology (Fujian) Limited	Fujian, China	Production and sales of LCD module and LCD monitor sets	51%	10,123	51%	10,123
LG Display Yantai Co., Ltd.	Yantai, China	Production of display products	100%	169,195	100%	169,195
Nanumnuri Co., Ltd.	Gumi, South Korea	Business facility maintenance	100%	800	100%	800
LG Display (China) Co., Ltd.(*1)	Guangzhou, China	Production and sales of display products	51%	—	51%	723,086
Unified Innovative Technology, LLC	Wilmington, U.S.A.	Intellectual property management	100%	9,489	100%	9,489
LG Display Guangzhou Trading Co., Ltd.	Guangzhou, China	Sales of display products	100%	218	100%	218
Global OLED Technology, LLC	Sterling, U.S.A	OLED intellectual property management	100%	164,322	100%	164,322
LG Display Vietnam Haiphong Co., Ltd.	Haiphong, Vietnam	Production and sales of display products	100%	672,658	100%	672,658
Suzhou Lehui Display Co., Ltd.	Suzhou, China	Production and sales of LCD module and LCD monitor sets	100%	121,640	100%	121,640
LG DISPLAY FUND I LLC(*2)	Wilmington, U.S.A	Investment in venture business and technologies	100%	97,936	100%	91,105
LG Display High-Tech (China) Co., Ltd.	Guangzhou, China	Production and sales of display products	69%	1,794,547	69%	1,794,547
Money Market Trust(*3)	Seoul, Korea	Money market trust	100%	140,600	100%	92,900
				₩3,896,168		₩4,858,280

(*1) For the year ended December 31, 2024, the Company reclassified as assets held for sale as a result of the ownership sale and purchase agreement.

(*2) For the year ended December 31, 2024, the Company contributed ₩6,831 million in cash for the capital increase of LG DISPLAY FUND I LLC. There was no change in the Company's percentage of ownership in LG DISPLAY FUND I LLC as a result of this additional investment.

LG DISPLAY CO., LTD.
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8. Investments, Continued

(*3) For the year ended December 31, 2024, the Company increased by ₩47,700 million as a result of acquisition and disposal of Money Market Trust. There was no change in the Company's percentage of ownership in Money Market Trust with this regard.

(b) Details of investments in associates as of December 31, 2024 and 2023, are as follows:

(In millions of won)

Associates	Location	Business	December 31, 2024		December 31, 2023	
			Percentage of ownership	Carrying Amount	Percentage of ownership	Carrying Amount
Paju Electric Glass Co., Ltd.	Paju, South Korea	Production of glass for display	40%	₩39,608	40%	₩45,089
WooRee E&L Co., Ltd.(*1)	Ansan, South Korea	Production of LED back light unit packages	—	—	13%	7,106
YAS Co., Ltd.(*1)	Paju, South Korea	Development and production of deposition equipment for OLEDs	—	—	16%	10,000
AVATEC Co., Ltd.(*1)	Daegu, South Korea	Processing and sales glass for display	—	—	14%	8,000
Arctic Sentinel, Inc.	Los Angeles, U.S.A.	Development and production tablet for kids	10%	—	10%	—
Cynora GmbH	Bruchsal Germany	Development of organic light emitting materials for displays and lighting devices	10%	—	10%	—
Material Science Co., Ltd.(*2)	Seoul, South Korea	Development, production, and sales of materials for display	14%	3,698	16%	3,588
				₩43,306		₩73,783

(*1) For the year ended December 31, 2024, due to loss significant influence, we reclassified the investments in associates as financial assets at fair value through profit or loss.

(*2) For the year ended December 31, 2024, due to the investee's disposal of treasury shares and issuance of new shares, the Company's percentage of ownership decreased from 16% to 14%.

Although the Company's respective share interests in Arctic Sentinel, Inc., Cynora GmbH and Material Science Co., Ltd. are below 20%, the Company is able to exercise significant influence through its right to appoint one or more directors to the board of directors of each investee. Accordingly, the investments in these investees have been accounted for using the equity method.

Dividends income recognized from subsidiaries and associates for the year ended December 31, 2024 amounted to ₩227,418 million (dividend income recognized from associates for the year ended December 31, 2023: ₩1,895,692 million).

LG DISPLAY CO., LTD.
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9. Property, Plant and Equipment

(a) Changes in property, plant and equipment for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)

	Land	Buildings and structures	Machinery and equipment	Furniture and fixtures	Construction-in-progress (*1)	Right-of-use asset	Others (*2)	Total
Acquisition cost as of January 1, 2024	₩472,813	6,674,304	37,381,457	563,966	6,148,883	38,260	1,063,452	52,343,135
Accumulated depreciation as of January 1, 2024	—	(3,429,293)	(32,682,474)	(473,444)	—	(24,040)	(749,958)	(37,359,209)
Accumulated impairment loss as of January 1, 2024	—	(180,065)	(933,766)	(5,739)	(257,086)	(222)	(22,801)	(1,399,679)
Book value as of January 1, 2024	₩472,813	3,064,946	3,765,217	84,783	5,891,797	13,998	290,693	13,584,247
Additions	—	—	—	—	987,207	5,981	—	993,188
Depreciation(*3)	—	(274,828)	(1,754,093)	(47,949)	—	(13,760)	(246,840)	(2,337,470)
Disposals	(47,344)	(28,581)	(131,962)	(166)	—	—	(52,327)	(260,380)
Impairment loss(*4)	—	(28)	(54,481)	(1,275)	(4,575)	—	(5,052)	(65,411)
Others(*5)	873	531,979	3,084,160	28,186	(3,949,582)	—	303,546	(838)
Book value as of December 31, 2024	₩426,342	3,293,488	4,908,841	63,579	2,924,847	6,219	290,020	11,913,336
Acquisition cost as of December 31, 2024	₩426,342	7,171,402	39,810,253	570,406	3,177,621	40,423	1,194,446	52,390,893
Accumulated depreciation as of December 31, 2024	₩ —	(3,698,897)	(33,913,454)	(500,935)	—	(34,048)	(883,419)	(39,030,753)
Accumulated impairment loss as of December 31, 2024	₩ —	(179,017)	(987,958)	(5,892)	(252,774)	(156)	(21,007)	(1,446,804)

(*1) As of December 31, 2024, construction-in-progress mainly relates to construction of manufacturing facilities.
(*2) Others mainly consist of tools and equipment.
(*3) The Company has classified the depreciation as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses. It includes capitalized development costs.
(*4) Impairment losses are recognized for the difference between the carrying amount and the recoverable amount of property, plant and equipment.
(*5) Others mainly represent the reclassification of construction-in-progress to other property, plant and equipment.

LG DISPLAY CO., LTD.
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9. Property, Plant and Equipment, Continued

(ii) 2023

(In millions of won)

	Land	Buildings and structures	Machinery and equipment	Furniture and fixtures	Construction-in-progress (*1)	Right-of-use asset	Others (*2)	Total
Acquisition cost as of January 1, 2023	₩476,045	5,265,179	36,539,468	554,850	9,393,158	40,702	926,870	53,196,272
Accumulated depreciation as of January 1, 2023	—	(3,210,075)	(33,383,114)	(445,727)	—	(34,895)	(669,004)	(37,742,815)
Accumulated impairment loss as of January 1, 2023	—	(180,864)	(871,500)	(5,919)	(328,555)	(347)	(21,428)	(1,408,613)
Book value as of January 1, 2023	₩476,045	1,874,240	2,284,854	103,204	9,064,603	5,460	236,438	14,044,844
Additions	—	—	—	—	1,894,782	21,568	—	1,916,350
Depreciation(*3)	—	(225,364)	(1,300,227)	(44,680)	—	(13,030)	(219,406)	(1,802,707)
Disposals	(330)	(758)	(507,869)	(1,921)	—	—	(43,635)	(554,513)
Impairment loss(*4)	—	—	(2,022)	(6)	—	—	(6,493)	(8,521)
Others(*5)	(2,902)	1,416,828	3,290,481	28,186	(5,067,588)	—	323,789	(11,206)
Book value as of December 31, 2023	₩472,813	3,064,946	3,765,217	84,783	5,891,797	13,998	290,693	13,584,247
Acquisition cost as of December 31, 2023	₩472,813	6,674,304	37,381,457	563,966	6,148,883	38,260	1,063,452	52,343,135
Accumulated depreciation as of December 31, 2023	₩ —	(3,429,293)	(32,682,474)	(473,444)	—	(24,040)	(749,958)	(37,359,209)
Accumulated impairment loss as of December 31, 2023	₩ —	(180,065)	(933,766)	(5,739)	(257,086)	(222)	(22,801)	(1,399,679)

(*1) As of December 31, 2023, construction-in-progress mainly relates to construction of manufacturing facilities.
(*2) Others mainly consist of tools and equipment.
(*3) The Company has classified the depreciation as manufacturing overhead costs, selling expenses, administrative expenses and research and development expenses. It includes capitalized development costs.
(*4) Impairment losses are recognized for the difference between the carrying amount and the recoverable amount of property, plant and equipment.
(*5) Others mainly represent the reclassification of construction-in-progress to other property, plant and equipment

(b) Capitalized borrowing costs and capitalization rate for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Capitalized borrowing costs	₩23,862	208,733
Capitalization rate	5.44%	4.96%

(c) The Company provides a portion of property, plant and equipment as an operating lease. For the year ended December 31, 2024, rental income from property, plant and equipment is ₩1,811 million (2023: ₩1,886 million).

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10. Intangible Assets

(a) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)

	Intellectual property rights	Software	Member-ships	Development costs	Construction-in-progress	Technology	Goodwill	Total
Acquisition cost as of January 1, 2024	₩ 1,867,526	1,202,537	22,905	2,295,468	32,660	12,763	72,588	5,506,447
Accumulated amortization as of January 1, 2024	(1,029,320)	(1,008,433)	—	(1,509,575)	—	(11,574)	—	(3,558,902)
Accumulated impairment loss as of January 1, 2024	(47,909)	(12,596)	(1,541)	(144,432)	—	(43)	(57,995)	(264,516)
Book value as of January 1, 2024	₩ 790,297	181,508	21,364	641,461	32,660	1,146	14,593	1,683,029
Additions - internally generated	—	—	—	548,224	—	—	—	548,224
Additions - external purchases	49,818	—	—	—	87,226	—	—	137,044
Amortization (*1)	(156,574)	(101,135)	—	(546,377)	—	(164)	—	(804,250)
Disposals	—	(187)	(6,433)	—	—	—	—	(6,620)
Impairment loss (*2)	(1,931)	(4,517)	—	(66,028)	—	—	—	(72,476)
Others (*3)	—	105,230	—	—	(104,392)	—	—	838
Book value as of December 31, 2024	₩ 681,610	180,899	14,931	577,280	15,494	982	14,593	1,485,789
Acquisition cost as of December 31, 2024	₩ 1,915,242	1,285,773	14,931	2,357,041	15,494	12,763	72,588	5,673,832
Accumulated amortization as of December 31, 2024	₩(1,185,734)	(1,087,883)	—	(1,715,408)	—	(11,738)	—	(4,000,763)
Accumulated impairment loss as of December 31, 2024	₩ (47,898)	(16,991)	—	(64,353)	—	(43)	(57,995)	(187,280)

(*1) The Company has classified the amortization as manufacturing overhead costs, selling expenses, administrative expenses, and research and development expenses.
(*2) The Company recognized an impairment loss amounting to ₩66,028 million for development projects which are not likely to generate probable future economic benefits.
(*3) Others mainly represent the reclassification of construction-in-progress to intangible assets.

LG DISPLAY CO., LTD.
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10. Intangible Assets, Continued

(ii) 2023

(In millions of won)

	Intellectual property rights	Software	Member-ships	Development costs	Construction-in-progress	Technology	Goodwill	Total
Acquisition cost as of January 1, 2023	₩ 1,757,282	1,160,702	26,619	2,016,477	28,169	12,763	72,588	5,074,600
Accumulated amortization as of January 1, 2023	(878,767)	(975,411)	—	(1,358,446)	—	(11,411)	—	(3,224,035)
Accumulated impairment loss as of January 1, 2023	(48,598)	(14,235)	(1,701)	(92,812)	—	(43)	(57,995)	(215,384)
Book value as of January 1, 2023	₩ 829,917	171,056	24,918	565,219	28,169	1,309	14,593	1,635,181
Additions - internally generated	—	—	—	493,608	—	—	—	493,608
Additions - external purchases	118,343	—	—	—	98,585	—	—	216,928
Amortization (*1)	(156,128)	(85,528)	—	(363,162)	—	(163)	—	(604,981)
Disposals	(202)	(396)	(3,796)	—	—	—	—	(4,394)
Impairment loss (*2)	(1,633)	(425)	242	(52,775)	—	—	—	(54,591)
Others (*3)	₩ —	96,801	—	(1,429)	(94,094)	—	—	1,278
Book value as of December 31, 2023	₩ 790,297	181,508	21,364	641,461	32,660	1,146	14,593	1,683,029
Acquisition cost as of December 31, 2023	₩ 1,867,526	1,202,537	22,905	2,295,468	32,660	12,763	72,588	5,506,447
Accumulated amortization as of December 31, 2023	₩(1,029,320)	(1,008,433)	—	(1,509,575)	—	(11,574)	—	(3,558,902)
Accumulated impairment loss as of December 31, 2023	(47,909)	(12,596)	(1,541)	(144,432)	—	(43)	(57,995)	(264,516)

(*1) The Company has classified the amortization as manufacturing overhead costs, selling expenses, administrative expenses, and research and development expenses.

(*2) The Company recognized an impairment loss amounting to ₩52,775 million for development projects which are not likely to generate probable future economic benefits.

(*3) Others mainly represent the reclassification of construction-in-progress to intangible assets.

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10. Intangible Assets, Continued

(b) The book value and remaining amortization period of development costs and intellectual property rights as of December 31, 2024 and 2023 are as follows:

Development costs

(i) As of December 31, 2024

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*)
Development completed	TV	₩ 49,705	0.8
	IT	49,615	0.7
	Mobile and others	255,128	2.7
	Subtotal	₩354,448	
Development in process	TV	₩ 14,802	—
	IT	37,737	—
	Mobile and others	170,293	—
	Subtotal	₩222,832	
	Total	₩577,280	

(*) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each product has a different remaining amortization period.

(ii) As of December 31, 2023

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*)
Development completed	TV	₩ 43,956	0.8
	IT	63,049	0.6
	Mobile and others	190,487	3.0
	Subtotal	₩297,492	
Development in process	TV	₩ 46,368	—
	IT	175,023	—
	Mobile and others	122,578	—
	Subtotal	₩343,969	
	Total	₩641,461	

(*) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each product has a different remaining amortization period.

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10. Intangible Assets, Continued

Intellectual property rights

(i) As of December 31, 2024

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*1)
Patent	Direct additions	₩237,305	7.0
	Licenses agreement (*2)	441,454	5.2
	Subtotal	₩678,759	
Other		2,851	3.7
	Total	₩681,610	

(*1) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each patent has a different remaining amortization period.
(*2) The Company's rights under contracts with the patent company.

(ii) As of December 31, 2023

(In millions of won and in years)

Classification	Category	Book Value	Remaining amortization period (*1)
Patent	Direct additions	₩214,143	7.1
	Licenses agreement (*2)	573,810	5.7
	Subtotal	₩787,953	
Other		2,344	3.6
	Total	₩790,297	

(*1) Weighted average of the remaining useful life based on the book value at the end of the reporting period as each patent has a different remaining amortization period.
(*2) The Company's rights under contracts with the patent company.

(c) The total amount of research and development expenditure recognized as an expense for the year ended December 31, 2024 is ₩1,427,125 million (2023: ₩1,367,382 million).

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10. Intangible Assets, Continued

(d) Details of impairment assessment on CGU

As of December 31, 2024, the Company's cash-generating units consist of Display CGU, Display (Large OLED) CGU and Display (AD PO) CGU. As of December 31, 2024, the Company performed impairment assessment for Display CGU. All the goodwill balance as of December 31, 2024 is allocated to the Display CGU.

The recoverable amount of CGU is determined based on its value in use. Value in use is calculated using the estimated cash flow based on 5-year business plan approved by management. The estimated revenue and operating expenditures of the Company's products used in the forecast was determined considering external sources and the Company's historical experience. Management estimated the future cash flows based on its past performance and forecasts on market growth. The key assumptions used in the estimation of value in use for Display CGU include revenue and operating expenditures for the forecast period, and discount rate. Terminal growth rate and the discount rate used in the estimation of value in use are as follows.

Classification	Pre-tax discount rate(*)	Post-tax discount rate(*)	Terminal growth rate
Display CGU	9.3%	7.6%	1.0%
Display CGU (Large OLED)	9.5%	7.6%	1.0%
Display CGU (AP PO)	9.9%	7.6%	0.0%

(*) The discount rate was calculated using the weighted average cost of equity capital and debt and the beta of equity capital was calculated as the average of seven global listed companies in the same industry and the Company. Cost of debt was calculated using the yield rate of non-guaranteed corporate bond considering the Company's credit rating and debt ratio was determined using the average of the debt ratios of the seven global listed companies in the same industry and the Company. The Company calculates the value in use of the CGU using post-tax cash flows and a post-tax discount rate, and the result is not significantly different from the value in use calculated using pre-tax cash flows and pre-tax discount rate.

As a result of impairment assessment for Display CGU, Display (Large OLED) CGU, and Display (ADPO) CGU, the recoverable amount exceeded its carrying amount. The value in use determined for this CGU is sensitive to the discount rate used in the discounted cash flow model.

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11. Investment Property

(a) Changes in investment properties for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	**2024**	**2023**
Beginning balance	₩32,995	28,269
Transfer from property, plant, and equipment	—	9,928
Depreciation	(5,084)	(4,962)
Others	—	(240)
Ending balance	₩27,911	32,995

(b) For the year ended December 31, 2024, rental income from investment property is ₩8,891 million (2023: ₩5,478 million) and rental cost is ₩5,468 million (2023: ₩5,429 million).

LG DISPLAY CO., LTD.
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12. Financial Liabilities

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

(In millions of won)	December 31, 2024	December 31, 2023
Current		
Short-term borrowings	₩ 2,454,295	1,428,213
Current portion of long-term borrowings	2,787,100	2,000,930
Current portion of bonds	611,882	369,716
Current portion of payment guarantee liabilities	6,092	6,780
Derivatives (*1)	3,762	26,193
Fair value hedging derivatives (*2)	—	7,392
Lease liabilities	3,539	11,598
Total	₩ 5,866,670	3,850,822
Non-current		
Long-term borrowings	₩ 3,762,972	4,784,819
Bonds	525,957	1,118,427
Payment guarantee liabilities	9,678	13,833
Derivatives (*1)	7,006	37,333
Fair value hedging derivatives (*2)	—	28,660
Lease liabilities	2,995	2,802
Total	₩ 4,308,608	5,985,874

(*1) The derivatives, which are not designated as hedging instruments, arise from cross currency interest rate swap contracts and others for the purpose of managing currency and interest rate risks associated with foreign currency denominated borrowings and bonds.

(*2) The derivatives, which are designated as hedging instruments, arise from forward exchange contracts for the purpose of managing currency risk associated with advances received in foreign currency.

(b) Details of short-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Lender	Description	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
LG Display Singapore Pte. Ltd.	Working Capital	4.31	₩2,160,900	—
Standard Chartered Bank Korea Limited and others	Working Capital and others	3.50~6.41	293,395	1,428,213
Total			₩2,454,295	1,428,213

LG DISPLAY CO., LTD.
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12. Financial Liabilities, Continued

(c) Details of Korean won denominated long-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won)

Lender	Description	Latest maturity date	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
LG Electronics Inc.	Operating capital	March 2026	6.06	₩ 1,000,000	1,000,000
Korea Development Bank and others	Facility capital and others	March 2025 ~ March 2030	2.41~5.74	3,668,538	3,490,967
Less: current portion of long-term borrowings				(1,861,000)	(776,000)
Total				₩ 2,807,538	3,714,967

(d) Details of foreign currency denominated long-term borrowings as of December 31, 2024 and 2023 are as follows:

(In millions of won and USD)

Lender	Description	Latest maturity date	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
KEB Hana Bank and others	Facility capital and others	January 2025 ~ March 2029	5.76~7.06	₩ 1,881,534	2,294,782
Foreign currency equivalent of foreign currency borrowings				USD 1,280	USD 1,780
Less: current portion of long-term borrowings				(926,100)	(1,224,930)
Total				₩ 955,434	1,069,852

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12. Financial Liabilities, Continued

(e) Details of bonds issued and outstanding as of December 31, 2024 and 2023 are as follows:

(In millions of won and USD)

	Maturity	Annual interest rate as of December 31, 2024 (%)	December 31, 2024	December 31, 2023
Korean won denominated bonds at amortized cost (*1)				
Publicly issued bonds	February 2025 ~ February 2027	2.79~3.66	₩ 655,000	1,025,000
Privately issued bonds	January 2025 ~ January 2026	7.20~7.25	337,000	337,000
Less: discount on bonds			(705)	(2,120)
Less: current portion			(611,882)	(369,716)
Subtotal			₩ 379,413	990,164
Foreign currency denominated bonds at amortized cost (*2)				
Privately issued bonds	April 2026	6.52	₩ 147,000	128,940
Foreign currency equivalent of foreign currency denominated bonds			USD 100	USD 100
Less: discount on bonds			(456)	(677)
Less: foreign currency equivalent of discount on bonds of foreign currency denominated bonds			USD (0)	USD (1)
Subtotal			₩ 146,544	128,263
Total			₩ 525,957	1,118,427

(*1) Principal of the won denominated bonds is to be repaid at maturity and interests are paid quarterly.
(*2) Principal of the foreign currency denominated bonds is to be repaid at maturity and interests are paid quarterly.

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13. Post-employment Benefits

i) Defined benefit plans

The Company's defined benefit plans provide a lump-sum payment to an employee based on final salary rates and length of service at the time the employee leaves the Company.

The defined benefit plans expose the Company to actuarial risks, such as the risk associated with expected periods of service, interest rate risk, market (investment) risk, and others.

(a) Details of net defined benefit liabilities (defined benefit assets) recognized as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Present value of defined benefit obligations	₩ 1,436,251	1,482,976
Fair value of plan assets	(1,596,815)	(1,890,188)
	₩ (160,564)	(407,212)

(b) Changes in the present value of the defined benefit obligations for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Defined benefit obligations at January 1	₩1,482,976	1,595,629
Current service cost	146,859	171,479
Interest cost	67,426	83,793
Remeasurements (before tax)	142,422	(65,505)
Benefit payments	(397,457)	(285,869)
Net transfers from (to) related parties	(5,975)	(16,551)
Defined benefit obligations at December 31	₩1,436,251	1,482,976

Weighted average remaining maturity of defined benefit obligations as of December 31, 2024 is 9.98 years (December 31, 2023 : 12.20 years).

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13. Post-Employment Benefits, Continued

(c) Changes in fair value of plan assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Fair value of plan assets at January 1	₩1,890,188	2,043,150
Interest income	86,280	107,735
Remeasurements (before tax)	(11,781)	(870)
Contributions by employer directly to plan assets	—	—
Benefit payments	(367,872)	(259,609)
Net transfers from (to) related parties	—	(218)
Fair value of plan assets at December 31	₩1,596,815	1,890,188

The Company is considering the amount of recent contributions and the size of plan assets when estimating the contributions expected to be paid in the fiscal year commencing after the end of the reporting period.

(d) Details of plan assets as of December 31, 2024 and 2023 are as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Time deposits in banks	₩1,596,815	1,890,188

As of December 31, 2024, the Company maintains the plan assets primarily with Shinhan Bank, KEB Hana Bank and others.

(e) Details of expenses related to defined benefit plans recognized in profit or loss for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Current service cost	₩146,859	171,479
Net interest cost	(18,854)	(23,942)
Total (*)	₩128,005	147,537

(*) The total cost related to the defined benefit plans includes capitalized amounts of ₩9,885 million (2023: ₩15,085 million).

Details of expenses are recognized in the statements of comprehensive income (loss) as follows:

(In millions of won)	2024	2023
Cost of sales	₩ 89,052	99,141
Selling expenses	5,836	6,738
Administrative expenses	12,627	14,865
Research and development expenses	10,605	11,708
Total (*)	₩118,120	132,452

(*) The total cost recognized in the comprehensive income statement related to the defined benefit plans excludes capitalized amounts of ₩9,885 million (2023: ₩15,085 million).

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13. Post-Employment Benefits, Continued

(f) Details of remeasurements of net defined benefit liabilities (assets) included in other comprehensive income (loss) for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Balance at January 1	₩ 47,011	(2,806)
Remeasurements		
Actuarial profit or loss arising from:		
Experience adjustment	(21,525)	66,461
Demographic assumptions	7,487	(85)
Financial assumptions	(128,384)	(871)
Return on plan assets	(11,781)	(870)
Subtotal	₩(154,203)	64,635
Income tax	₩ 22,368	(14,818)
Balance at December 31	₩ (84,824)	47,011

(g) Details of principal actuarial assumptions as of December 31, 2024 and 2023 (expressed as weighted averages) are as follows:

	December 31, 2024	December 31, 2023
Expected rate of salary increase	4.0%	4.0%
Discount rate for defined benefit obligations	3.9%	4.6%

(h) Reasonably possible changes to respective relevant actuarial assumptions would have affected the defined benefit obligations by the following amounts as of December 31, 2024:

(In millions of won)	Defined benefit obligations	
	1% increase	1% decrease
Discount rate for defined benefit obligations	₩(127,037)	146,746
Expected rate of salary increase	151,241	(132,836)

ii) Defined contribution plans

The amount recognized as an expense in relation to the defined contribution plan in 2024 is ₩19,057 million (2023: ₩8,534 million).

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14. Provisions

Changes in provisions for the years ended December 31, 2024 and 2023 are as follows:

(i) 2024

(In millions of won)

	Litigation	Warranties (*)	Others	Total
Beginning balance	₩ 1,806	171,953	5,880	179,639
Additions	5,673	83,020	117	88,810
Usage	—	(103,579)	—	(103,579)
Ending balance	₩ 7,479	151,394	5,997	164,870
Current	₩ 7,479	90,486	5,997	103,962
Non-current	₩ —	60,908	—	60,908

(*) The Company provides warranty on defective products for warranty periods after sales. The provision is calculated based on the assumption of expected number of warranty claims and costs per claim considering historical experience.

(ii) 2023

(In millions of won)

	Litigation	Warranties (*)	Others	Total
Beginning balance	₩ 1,680	248,137	8,432	258,249
Additions (reversal)	126	49,787	(2,552)	47,361
Usage	—	(125,971)	—	(125,971)
Ending balance	₩ 1,806	171,953	5,880	179,639
Current	₩ 1,806	108,148	5,880	115,834
Non-current	₩ —	63,805	—	63,805

(*) The Company provides warranty on defective products for warranty periods after sales. The provision is calculated based on the assumption of expected number of warranty claims and costs per claim considering historical experience.

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15. Contingent Liabilities and Commitments

(a) Legal Proceedings

Anti-trust litigations

The Company and other LCD panel manufacturers have been sued by individual claimants on allegations of violating EU competition laws. While the Company continues its vigorous defense of this pending proceeding. As of December 31, 2024, the Company cannot predict the final outcomes of the lawsuits that have been filed.

Others

The Company is involved in various lawsuits and disputes in addition to the pending proceeding described above. The Company cannot reliably estimate the timing and amount of outflows of resources embodying economic benefits relating to the disputes.

(b) Commitments

Factoring and securitization of accounts receivable

The Company has discount agreements with Korea Development Bank and other banks for accounts receivable related to export sales transactions with its subsidiary, up to USD 1,000 million (₩1,470,000 million). As of December 31, 2024, there is no amount of the discounted accounts receivable that have not yet matured in connection with these agreements. In relation to the above agreements, the financial institutions have the recourse for accounts receivable that are past due.

The Company has assignment agreements with MUFG Bank and other banks for accounts receivable related to domestic and export sales transactions, up to ₩551,250 million. As of December 31, 2024, the amount of the accounts receivable assigned that have not matured in connection with these agreements is ₩6,767 million. In relation to the above agreements, the financial institutions do not have the right of recourse for accounts receivable that are past due.

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15. Contingent Liabilities and Commitments, Continued

Loan commitment

As of December 31, 2024, the Company has entered into agreements with Hana Bank and other banks for credit lines and opening of letter of credits up to a limit of ₩2,645,500 million and with LG Display Singapore Pte. Ltd. for borrowing up to ₩2,352,000 million.

Payment guarantees

The Company provides payment guarantee to LG Display Vietnam Haiphong Co., Ltd. for the loan principal of USD 1,261 million (₩1,853,833 million).

In addition, the Company received payment guarantees of USD 900 million (₩1,323,000 million) from KB Kookmin Bank and other banks for advances received related to the long-term supply agreements.

The Company has received a payment guarantee of ₩2,021 million from Seoul Guarantee Insurance Co., Ltd. in relation to performance guarantees and others.

Patent and License agreements

As of December 31, 2024, the Company has patent license agreements with Hitachi Display, Ltd. and others in relation to its LCD business and patent license agreements with Universal Display Corporation and others in relation to its OLED business. Also, as of December 31, 2024, the Company has a trademark license agreement with LG Corp. and license agreements with other companies for patents, trademarks and other intellectual property rights.

Long-term supply agreement

As of December 31, 2024, in connection with long-term supply agreements with customers, the Company recognized advances received amounting to USD 750 million (₩1,102,500 million). The advances received will be used to offset against accounts receivable arising from future product sales after a certain period of time from the date of receipt. In relation to this, the Company received payment guarantees of USD 900 million (₩1,323,000 million) from KB Kookmin Bank and other banks (see note 15(b) payment guarantees).

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15. Contingent Liabilities and Commitments, Continued

Collateral

Details of the collateral provided by the Company are as follows:

(In millions of won)

Collateral	Carrying amount	Maximum bond amount	Secured creditor	Collateral borrowings amount
Property plant and equipment and others	₩437,583	1,200,000	LG Electronics Inc.	1,000,000
Property plant and equipment and others	67,974	326,400	Korea Development Bank and others	136,000
Property plant and equipment and others (*)	237,283	780,000	Korea Development Bank and others	650,000

(*) The carrying amount of collateral amounting to ₩237,283 million includes the collateral asset of ₩67,974 million for collateralized borrowings of ₩136,000 million from Korea Development Bank and other banks.

Commitments for asset acquisition

The amount committed to acquire property, plant, equipment and intangible assets not recognized on the financial statements as of December 31, 2024 is ₩347,344 million.

16. Share Capital and Share Premium

The total number of shares to be issued by the Company is 500,000,000 shares, the number of shares issued is 500,000,000 shares (December 31, 2023: 357,815,700 shares), and the par value per share is ₩5,000.

The Company conducted a paid-in capital increase as below based on the resolution of the board of directors on December 18, 2023, and the newly issued shares were listed on the Korea Exchange (KRX) on March 26, 2024.

With the new shares of common stock, the share capital increased by ₩710,921 million to ₩2,500,000 million.

Classification	Description
Purpose	Funding for capital and operating expenditures and repayment of debts
Type of shares issued	Common stock
Number of shares issued	142,184,300 shares
The amount per shares	₩9,090

The capital surplus consists of share premium and due to the capital increase during 2024, the share premium increased by ₩569,893 million to ₩2,821,006 million.

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17. Retained earnings (Accumulated deficit)

(a) Retained earnings (accumulated deficit) as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	December 31, 2024	December 31, 2023
Legal reserve	₩ 235,416	235,416
Other reserve	68,251	68,251
Defined benefit plan actuarial income (loss)	(84,824)	47,011
Unappropriated retained earnings (accumulated deficit)	(1,744,051)	1,290,685
Total	₩(1,525,208)	1,641,363

(b) For the years ended December 31, 2024 and 2023, details of the Company's appropriations of retained earnings (accumulated deficit) are as follows:

(In millions of won, except for cash dividend per common stock)

	2024	2023
Retained earnings (accumulated deficit) before appropriations		
Unappropriated retained earnings (accumulated deficit) carried over from prior year	₩ 1,290,685	3,009,386
Loss for the year	(3,034,736)	(1,718,701)
	(1,744,051)	1,290,685
Unappropriated retained earnings (accumulated deficit) carried forward to the following year	₩(1,744,051)	1,290,685

Expected date of appropriation for the year ended December 31, 2024 is March 20, 2025 and the date of appropriation for the year ended December 31, 2023 is March 22, 2024.

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18. Revenue

Details of revenue for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Sales of goods	₩25,083,924	19,761,198
Royalties(*)	59,327	13,337
Others(*)	35,437	36,480
Total	₩25,178,688	19,811,015

(*) It includes license revenue and rental income recognized over the period.

For the year ended December 31, 20214, the revenue recognized by satisfying performance obligation for the amount received from the customer in prior reporting periods is ₩587,742 million.

19. The Nature of Expenses

The classification of expenses by nature for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Changes in inventories	₩ (5,719)	143,635
Purchases of raw materials and others	9,987,490	8,908,275
Depreciation and amortization	3,087,047	2,328,219
Outsourcing	8,094,665	6,797,775
Labor	2,726,704	2,508,950
Supplies and others	686,731	689,363
Utility	1,068,096	885,278
Fees and commissions	388,732	399,085
Shipping	61,313	62,481
Advertising	66,988	76,353
Warranty	83,020	49,787
Travel	45,214	57,654
Taxes and dues	74,068	66,698
Others	614,965	721,583
Total(*)	₩26,979,314	23,695,136

(*) Total expenses consist of cost of sales, selling, administrative, research and development expenses.

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20. Selling and Administrative Expenses

Details of selling and administrative expenses for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Salaries	₩ 434,233	247,797
Expenses related to defined benefit plans	20,969	22,834
Other employee benefits	48,707	51,689
Shipping	22,453	20,569
Fees and commissions	162,434	160,979
Depreciation and amortization	148,712	152,460
Taxes and dues	4,529	5,973
Advertising	66,988	76,353
Warranty	83,020	49,787
Insurance	9,424	9,451
Travel	8,160	12,910
Training	7,612	8,416
Others	58,734	61,631
Total	₩1,075,975	880,849

21. Other Non-operating Income and Other Non-operating Expenses

(a) Details of other non-operating income for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Foreign currency gain	₩1,607,940	941,200
Gain on disposal of property, plant and equipment	51,093	33,842
Gain on disposal of intangible assets	25	1,989
Reversal of impairment loss on property, plant and equipment	4,314	—
Rental income	1,811	1,886
Others	37,323	16,874
Total	₩1,702,506	995,791

(b) Details of other non-operating expenses for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Foreign currency loss	₩2,200,195	1,104,656
Loss on disposal of property, plant and equipment	75,672	102,297
Impairment loss on property, plant and equipment	69,725	8,521
Impairment loss on intangible assets	72,490	54,833
Others	21,907	7,724
Total	₩2,439,989	1,278,031

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22. Finance Income and Finance Costs

Details of finance income and costs recognized in profit or loss for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Finance income		
Interest income	₩ 20,440	14,922
Dividend income	227,418	1,895,692
Foreign currency gain	30,205	73,362
Gain on transaction of derivatives	274,173	178,610
Gain on valuation of derivatives	145,078	239,973
Gain on valuation of financial assets at fair value through profit or loss	—	1,626
Others	₩ 7,456	7,412
Total	704,770	2,411,597
Finance costs		
Interest expense	₩ 665,051	434,455
Foreign currency loss	565,829	103,343
Loss on valuation of financial assets at fair value through profit or loss	6,567	8,102
Loss on valuation of derivatives	5,771	316,467
Others	10,935	14,983
Total	₩1,254,153	877,350

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23. Income Tax Benefit (Expense)

(a) Details of income tax benefit (expense) for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Current tax benefit (expense)		
Current year	₩(12,368)	(101,387)
Adjustment for prior years	5	26,041
Subtotal	₩(12,363)	(75,346)
Deferred tax benefit		
Changes in temporary differences	₩ 65,118	988,759
Income tax benefit	₩ 52,755	913,413

(b) Details of income tax benefit (expense) recognized in equity for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024			2023		
	Before tax	Income tax effect	Net of tax	Before tax	Income tax effect	Net of tax
Remeasurements of net defined benefit liabilities (assets)	₩(154,203)	22,368	(131,835)	64,635	(14,818)	49,817
Total	₩(154,203)	22,368	(131,835)	64,635	(14,818)	49,817

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23. Income Tax Benefit (Expense), Continued

(c) Reconciliation of the effective tax rate for the years ended December 31, 2024 and 2023 is as follows:

(In millions of won)

	2024	2023
Loss for the year	₩(3,034,736)	(1,718,701)
Income tax benefit	52,755	913,413
Loss before income tax	(3,087,491)	(2,632,114)
Income tax benefit using the Company's statutory tax rate	707,653	603,281
Income not subject to tax	61,846	409,409
Change in unrecognized deferred tax assets (*1)	(703,714)	42,183
Adjustment for prior years	18,474	(31,218)
Effect on change in tax rate	(30,151)	(10,504)
Others	(1,353)	(99,738)
Total	₩ 52,755	913,413
Effective tax rate	(*2)	(*2)

(*1) The effect of changes in deferred tax assets related to tax loss carryforwards and tax credit carryforwards that are not realizable based on the estimates of future taxable profit.
(*2) Actual effective tax rate is not calculated due to loss before income tax for the years ended December 31, 2024 and 2023.

(d) Global Minimum Tax

Under *Pillar Two legislation*, the Company is liable to pay a top-up tax for the difference between the GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Company has assessed its impact of the *Pillar Two legislation* on its financial statements. As a result of the assessment, the Company has no current tax expenses related to *Pillar Two legislation* for the year ended December 31, 2024.

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24. Deferred Tax Assets and Liabilities

(a) Details of the recovery and settlement timings for deferred tax assets and liabilities as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	₩3,511,525	3,590,688
Deferred tax asset to be recovered within 12 months	336,541	259,864
Total deferred tax assets	3,848,066	3,850,552
Deferred tax liabilities		
Deferred tax liability to be settled after more than 12 months	₩ 300,766	385,432
Deferred tax liability to be settled within 12 months	72,310	77,616
Total deferred tax liabilities	373,076	463,048
Deferred tax assets after offsetting	₩3,474,990	3,387,504

(b) Changes in deferred tax assets and liabilities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	January 1, 2023	Profit or loss for 2023	Other comprehensive loss for 2023	December 31, 2023	Profit or loss for 2024	Other comprehensive income for 2024	December 31, 2024
Other accounts receivable	₩ (2,009)	1,948	—	(61)	(4,406)	—	(4,467)
Inventories	35,562	(6,955)	—	28,607	3,416	—	32,023
Defined benefit assets	(95,850)	20,915	(14,818)	(89,753)	53,348	22,368	(14,037)
Accrued expenses	106,398	(12,887)	—	93,511	8,377	—	101,888
Property, plant and equipment and intangible assets	442,528	(42,216)	—	400,332	(22,941)	—	377,391
Provisions	57,210	(17,624)	—	39,586	(4,666)	—	34,920
Subsidiaries and associates	6,541	71,653	—	78,194	2,339	—	80,533
Other temporary differences	(8,668)	20,201	—	11,533	1,708	—	13,241
Tax loss carryforwards	1,700,860	976,480	—	2,677,340	31,507	—	2,708,847
Tax credit carryforwards	170,971	(22,756)	—	148,215	(3,564)	—	144,651
Deferred tax assets (liabilities)	₩2,413,563	988,759	(14,818)	3,387,504	65,118	22,368	3,474,990

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24. Deferred Tax Assets and Liabilities, Continued

(c) Details of deductible (taxable) temporary difference, tax credit carryforwards and tax credit carryforwards unrecognized as deferred tax assets (liabilities) as of December 31, 2024, are as follows:

(In millions of won)

	Amount	Reason
Investments with its subsidiary	(249,712)	Unlikely to reverse (dispose of) in the foreseeable future
Tax credit carryforwards (*1)	949,968	Uncertainty of future taxable profit
Tax loss carryforwards (*2)	2,946,346	Uncertainty of future taxable profit

(*1) Unrecognized tax credit carryforwards due to the low probability of realization in the future as of December 31, 2024, will be expired from 2025.

(*2) Unrecognized tax loss carryforwards due to the low probability of realization in the future as of December 31, 2024, will be expired from 2029.

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25. Loss per Share

(a) Basic loss per share for the years ended December 31, 2024 and 2023 are as follows:

(In won and No. of shares)	2024	2023
Loss for the year	₩(3,034,736,546,955)	(1,718,701,175,934)
Weighted-average number of common stocks outstanding	471,252,355	380,884,673
Basic loss per share	₩ (6,440)	(4,512)

Due to paid-in capital increase for the year ended December 31, 2024, the number of outstanding shares has increased. The weighted-average number of common shares outstanding for previous period has been adjusted considering a bonus element in a rights issue to existing shareholders for the year ended December 31, 2024.

(b) Diluted loss per share is not different from basic loss per share as there are no dilution effects of potential common stocks.

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26. Financial Risk Management

The Company is exposed to credit risk, liquidity risk and market risk. The Company identifies and analyzes such risks, and controls are implemented under a risk management system to monitor and manage these risks at below an acceptable level.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(i) Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currency of the Company, Korean won (KRW). The currencies in which these transactions primarily are denominated are USD, JPY, etc.

Interest on borrowings is accrued in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Company, primarily KRW and USD.

The Company adopts policies to ensure that its net exposure is kept to a manageable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances. In respect of monetary assets and liabilities denominated in foreign currencies, the Company manages currency risk through continuously managing the position of foreign currencies, measuring the currency risk and, if necessary, using derivatives such as currency forwards, currency swap and others.

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26. Financial Risk Management, Continued

i) Exposure to currency risk

The Company's exposure to foreign currency risk for major foreign currencies based on notional amounts as of December 31, 2024 and 2023 is as follows:

(In millions)	Net exposure	
	December 31, 2024	December 31, 2023
USD	(4,754)	(3,898)
JPY	(13,282)	(16,840)

Net exposure is the difference between foreign currency assets and liabilities and it includes derivatives assets and liabilities from cross currency interest rate swap contracts and forward exchange contracts.

Cross currency interest rate swap contracts, USD 500 million (2023: USD 500 million) and CNY 726 million (2023: CNY 345 million) were entered into to manage currency risk with respect to foreign currency denominated borrowings and USD 980 million (2023: USD 1,430 million) were entered into to manage currency risk and interest rate risk with respect to foreign currency denominated borrowings and bonds.

Forward exchange contracts, USD 750 million (2023: USD 1,200 million) were entered into to manage currency risk with respect to advances received in foreign currency.

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

Average exchange rates applied for the years ended December 31, 2024 and 2023 and the exchange rates as of December 31, 2024 and 2023 are as follows:

(In won)

	Average rate		Reporting date spot rate	
	2024	2023	December 31, 2024	December 31, 2023
USD	1,363.09	1,306.12	1,470.00	1,289.40
JPY	9.01	9.32	9.36	9.13

ii) Sensitivity analysis

A weaker won, as indicated below, against the following currencies which comprise the Company’s assets or liabilities denominated in a foreign currency as of December 31, 2024 and 2023, would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considers to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, would remain constant. The changes in equity and profit or loss would have been as follows:

(In millions of won)	December 31, 2024		December 31, 2023	
	Equity	Profit or loss	Equity	Profit or loss
USD (5 percent weakening)	₩(269,379)	(269,379)	₩(193,758)	(193,758)
JPY (5 percent weakening)	(4,794)	(4,794)	(5,925)	(5,925)

A stronger won against the above currencies as of December 31, 2024 and 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

iii) Fair value hedging derivatives

In relation to advances received that are dominated in foreign currency, the Company uses derivative instruments to hedge change of fair value due to foreign currency exchange rate changes.

Hedging instrument	Contractor	Contract amount (In millions)	Contract exchange rate	Maturity date	Change in value (In millions of won)	Ineffective portion of risk hedging (In millions of won)
Forward	Standard Chartered Bank Korea Limited and others	USD 750	1,289.11 ~ 1,310.08	2025.01 ~ 2026.01	155,149	19,699

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26. Financial Risk Management, Continued

(ii) Interest rate risk

Interest rate risk arises principally from the Company's variable interest-bearing bonds and borrowings. The Company establishes and applies its policy to reduce uncertainty arising from fluctuations in interest rates and to minimize finance cost and manages interest rate risk by monitoring of trends of fluctuations in interest rate and establishing plan for countermeasures. Meanwhile, the Company entered into cross currency interest rate swap contracts amounting to USD 980 million (₩1,440,600 million) and interest rate swap contracts amounting to ₩915,000 million in notional amount to manage interest rate risk with respect to variable interest bearing borrowings.

i) Profile

The interest rate profile of the Company's interest-bearing financial instruments as of December 31, 2024 and 2023 is as follows:

(In millions of won)	December 31, 2024	December 31, 2023
Fixed rate instruments		
Financial assets	₩ 238,477	354,502
Financial liabilities	(4,076,162)	(6,156,590)
Total	₩ (3,837,685)	(5,802,088)
Variable rate instruments		
Financial liabilities	₩ (6,066,044)	(3,545,515)

ii) Equity and profit or loss sensitivity analysis for variable rate instruments

As of December 31, 2024 and 2023, a change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below for the respective following 12 month periods. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(In millions of won)	Equity		Profit or loss	
	1%p increase	1%p decrease	1%p increase	1%p decrease
December 31, 2024				
Variable rate instruments (*)	₩(46,763)	46,763	(46,763)	46,763
December 31, 2023				
Variable rate instruments (*)	₩(27,329)	27,329	(27,329)	27,329

(*) Included financial instruments for which interest rate swap contracts, not designated as hedging instruments, were entered into.

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26. Financial Risk Management, Continued

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk of trade and other receivables is influenced mainly by the individual characteristics of each customer. However, management believes that the default risk of the country in which each customer operates, do not have a significant influence on credit risk since the majority of the customers are global electronic appliance manufacturers operating in global markets.

The Company establishes credit limits for each customer and each new customer is analyzed quantitatively and qualitatively before determining whether to utilize third party guarantees, insurance or factoring as appropriate.

In relation to the impairment of financial assets subsequent to initial recognition, the Company recognizes the changes in expected credit loss ("ECL") in profit or loss at each reporting date.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	December 31, 2024	December 31, 2023
Financial assets at amortized cost		
Cash equivalents	₩ 238,477	334,502
Deposits in banks	11	20,011
Trade accounts and notes receivable, net	4,964,594	3,077,901
Non-trade receivables	206,313	108,769
Accrued income	19,286	242
Deposits	8,964	8,538
Loans	37,143	59,884
Subtotal	₩5,474,788	3,609,847
Financial assets at fair value through profit or loss		
Convertible securities	₩ —	1,838
Derivatives	256,251	169,703
Subtotal	₩ 256,251	171,541
Financial assets effective for fair value hedging		
Derivatives	119,098	—
Total	₩5,850,137	3,781,388

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

In addition to the financial assets above, as of December 31, 2024, the Company provides payment guarantees to LG Display Vietnam Haiphong, Co., Ltd. in connection with the principal amount of credit facilities amounting to USD 1,261 million (₩1,853,833 million) (see note 15).

Trade accounts and notes receivable are insured in order for the Company to manage credit risk if they do not meet the Company's internal credit ratings. Uninsured trade accounts and notes receivable are managed by continuous monitoring of internal credit rating standards established by the Company and seeking insurance coverage, if necessary.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company has historically been able to satisfy its cash requirements from cash flows from operations and debt and equity financing. In addition, the Company maintains a line of credit with various banks.

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

The following are the contractual maturities of financial liabilities, including estimated interest payments, as of December 31, 2024 and 2023.

(i) As of December 31, 2024

(In millions of won)	Carrying amount	Contractual cash flows in Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	₩ 9,004,367	9,610,754	4,350,636	1,135,893	1,751,037	2,347,875	25,313
Bonds	1,137,839	1,185,892	631,539	11,638	416,573	126,142	—
Trade accounts and notes payable (*1)	12,011,544	12,011,544	11,740,183	271,361	—	—	—
Other accounts payable (*1)	1,438,724	1,441,594	1,112,327	329,267	—	—	—
Long-term other accounts payable	279,774	323,400	—	—	69,090	192,570	61,740
Payment guarantee (*2)	15,770	1,984,500	1,984,500	—	—	—	—
Security deposits received	160,710	189,210	—	808	6,837	181,565	—
Lease liabilities	6,534	6,968	1,944	1,831	1,797	1,233	163
Derivative financial liabilities							
Derivatives	₩ 10,768	11,184	930	3,447	4,495	2,312	—
Cash outflow	—	75,016	21,402	20,467	22,342	10,805	—
Cash inflow	—	(63,832)	(20,472)	(17,020)	(17,847)	(8,493)	—
Total	₩24,066,030	26,765,046	19,822,059	1,754,245	2,249,829	2,851,697	87,216

(*1) As of December 31, 2024, it includes ₩1,187,450 million of payable to credit card companies for utility expenses and others paid using business credit card for purchases. The Company presented the payable to credit card companies as trade account notes payables and other accounts payable and disclosed related cash flows as operating and investing activities since the Company is using the business credit card for purchases through agreements with suppliers for transactions arising from purchasing of goods and services, the payment term is within a year from the purchase, as part of the normal operating cycle, and no collateral is provided.

(*2) Contractual cash flows of payment guarantee represents the maximum amount to the earliest period that the Company could be required to pay the guarantee amount.

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

(ii) As of December 31, 2023

(In millions of won)	Carrying amount	Contractual cash flows in Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	₩ 8,213,962	8,868,714	2,482,724	1,313,880	3,351,277	1,720,833	—
Bonds	1,488,143	1,597,741	111,169	319,011	642,996	524,565	—
Trade accounts and notes payable	8,993,964	8,993,964	8,788,397	205,567	—	—	—
Other accounts payable (*1)	2,334,289	2,336,817	2,117,744	219,073	—	—	—
Long-term other accounts payable	343,845	398,451	—	—	114,783	175,358	108,310
Payment guarantee (*2)	20,613	2,182,973	2,182,973	—	—	—	—
Security deposits received	153,316	190,275	3,120	4,550	1,040	181,565	—
Lease liabilities	14,400	15,014	6,145	5,953	1,838	916	162
Derivative financial liabilities							
Derivatives	₩ 63,526	45,705	18,781	3,988	12,474	10,462	—
Cash outflow	—	1,385,858	657,325	47,527	510,676	170,330	—
Cash inflow	—	(1,340,153)	(638,544)	(43,539)	(498,202)	(159,868)	—
Fair value hedging derivatives	36,052	36,052	1,514	5,878	20,282	8,378	—
Total	₩21,662,110	24,665,706	15,712,567	2,077,900	4,144,690	2,622,077	108,472

(*1) As of December 31, 2023, it includes ₩1,092,180 million of payable to credit card companies for utility expenses and others paid using business credit card for purchases. The Company presented the payable to credit card companies as other accounts payable and disclosed related cash flows as operating and investing activities since the Company is using the business credit card for purchases through agreements with suppliers for transactions arising from purchasing of goods and services, the payment term is within a year from the purchase, as part of the normal operating cycle, and no collateral is provided.

(*2) Contractual cash flows of payment guarantee represents the maximum amount to the earliest period that the Company could be required to pay the guarantee amount.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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26. Financial Risk Management, Continued

(d) Capital management

Management's policy is to maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Liabilities to equity ratio, net borrowings to equity ratio and other financial ratios are used by management to achieve an optimal capital structure. Management also monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company is also responsible for complying with certain financial ratios as part of capital maintenance conditions imposed externally. To fulfill this responsibility, the Company regularly monitors these financial ratios and takes proactive measures when necessary.

(In millions of won)	December 31, 2024	December 31, 2023
Total liabilities	₩ 26,003,253	24,050,857
Total equity	3,795,798	5,681,555
Cash and deposits in banks (*1)	238,477	354,502
Borrowings (including bonds)	10,142,206	9,702,105
Total liabilities to equity ratio	685%	423%
Net borrowings to equity ratio (*2)	261%	165%

(*1) Cash and deposits in banks consist of cash and cash equivalents and current deposits in banks.
(*2) Net borrowings to equity ratio is calculated by dividing total borrowings (including bonds and excluding lease liabilities and others) less cash and current deposits in banks by total equity.

(e) Determination of fair value

(i) Measurement of fair value

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

(ii) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	December 31, 2024		December 31, 2023	
	Carrying amounts	Fair values	Carrying amounts	Fair values
Financial assets at amortized cost				
Cash and cash equivalents	₩ 238,477	(*1)	334,502	(*1)
Deposits in banks	11	(*1)	20,011	(*1)
Trade accounts and notes receivable	4,964,594	(*1)	3,077,901	(*1)
Non-trade receivables	206,313	(*1)	108,769	(*1)
Accrued income	19,286	(*1)	242	(*1)
Deposits	8,964	(*1)	8,538	(*1)
Loans	37,143	(*1)	59,884	(*1)
Financial assets at fair value through profit or loss				
Equity securities	₩ 22,138	22,138	3,967	3,967
Convertible securities	—	—	1,838	1,838
Derivatives	256,251	256,251	169,703	169,703
Financial assets effective for fair value hedging				
Derivatives	₩ 119,098	119,098	—	—
Financial liabilities at amortized cost				
Borrowings	₩ 9,004,367	9,074,818	8,213,962	8,248,441
Bonds	1,137,839	1,142,725	1,488,143	1,479,725
Trade accounts and notes payable	12,011,544	(*1)	8,993,964	(*1)
Other accounts payable	1,718,498	(*1)	2,678,134	(*1)
Payment guarantee liabilities	15,770	(*1)	20,613	(*1)
Security deposits received	160,710	(*1)	153,316	(*1)
Financial liabilities at fair value through profit or loss				
Derivatives	₩ 10,768	10,768	63,526	63,526
Financial liabilities effective for fair value hedging				
Derivatives	₩ —	—	36,052	36,052
Other financial liabilities				
Lease liabilities	₩ 6,534	(*2)	14,400	(*2)

(*1) Excluded from disclosures as the carrying amount approximates fair value.
(*2) Excluded from the fair value disclosures in accordance with Korean IFRS 1107 'Financial Instruments: Disclosures'.

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26. Financial Risk Management, Continued

(iii) Fair values of financial assets and liabilities

i) Fair value hierarchy

Financial instruments carried at fair value are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data

ii) Valuation techniques and inputs for Assets and Liabilities measured by the fair value hierarchy

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

(In millions of won)

Classification	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity securities	₩18,958	—	3,180	22,138
Derivatives	—	256,251	—	256,251
Financial assets effective for fair value hedging				
Derivatives	₩ —	119,098	—	119,098
Financial liabilities at fair value through profit or loss				
Derivatives	₩ —	10,768	—	10,768

(In millions of won)

Classification	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity securities	₩—	—	3,967	3,967
Convertible securities	—	—	1,838	1,838
Derivatives	—	169,703	—	169,703
Financial liabilities at fair value through profit or loss				
Derivatives	₩—	63,526	—	63,526
Financial liabilities effective for fair value hedging				
Derivatives	₩—	36,052	—	36,052

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

The valuation techniques and inputs for assets and liabilities measured at fair value that are classified as Level 2 and Level 3 within the fair value hierarchy as of December 31, 2024 and 2023 are as follows:

(In millions of won) Classification	December 31, 2024 Level 2	December 31, 2024 Level 3	December 31, 2023 Level 2	December 31, 2023 Level 3	Valuation technique	Input
Financial assets at fair value through profit or loss						
Equity securities	₩ —	3,180	—	3,967	Net asset value method and Comparable company analysis	Price to book value ratio
Convertible securities	—	—	—	1,838	Blended discount model and binominal option pricing model	Discount rate, stock price and volatility
Derivatives	256,251	—	169,703	—	Discounted cash flow	Discount rate and Exchange rate
Financial assets effective for fair value hedging						
Derivatives	₩119,098	—	—	—	Discounted cash flow	Discount rate and Exchange rate
Financial liabilities at fair value through profit or loss						
Derivatives	₩ 10,768	—	63,526	—	Discounted cash flow	Discount rate and Exchange rate
Financial liabilities effective for fair value hedging						
Derivatives	₩ —	—	36,052	—	Discounted cash flow	Discount rate and Exchange rate

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

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

Fair value hierarchy classifications, valuation techniques and inputs for fair value measurements of the financial instruments not measured at fair value but for which the fair value is disclosed as of December 31, 2024 and 2023 are as follows:

(In millions of won) Classification	December 31, 2024 Level 1	Level 2	Level 3	Valuation technique	Input
Liabilities					
Borrowings	₩—	—	9,074,818	Discounted cash flow	Discount rate
Bonds	—	—	1,142,725	Discounted cash flow	Discount rate

(In millions of won) Classification	December 31, 2023 Level 1	Level 2	Level 3	Valuation technique	Input
Liabilities					
Borrowings	₩—	—	8,248,441	Discounted cash flow	Discount rate
Bonds	—	—	1,479,725	Discounted cash flow	Discount rate

iv) The interest rates applied for determination of the above fair value as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Borrowings, bonds and others	3.70%~3.96%	4.60%~5.02%

v) There is no transfer between Level 1, Level 2 and Level 3 for the years ended December 31, 2024 and 2023, and the changes in financial assets classified as Level 3 of fair value measurements for the years ended December 31, 2024 and 2023 is as follows:

(*In millions of won*) Classification	January 1, 2024	Valuation	Disposal	December 31, 2024
Equity securities	₩ 3,967	(787)	—	3,180
Convertible securities	1,838	—	(1,838)	—

(*In millions of won*) Classification	January 1, 2023	Valuation	December 31, 2023
Equity securities	₩10,484	(6,517)	3,967
Convertible securities	1,797	41	1,838

LG DISPLAY CO., LTD.
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26. Financial Risk Management, Continued

(f) Net gains and losses by category of financial instruments

The net gains and losses by category of financial instruments as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024					
	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at FVTPL	Derivatives	Others	Total
Interest income	₩ 20,440	—	—	—	—	20,440
Interest expense	—	(664,365)	—	—	(686)	(665,051)
Foreign currency differences	972,838	(2,155,951)	—	190,906	—	(992,207)
Bad debt expense	(348)	—	—	—	—	(348)
Gain or loss on disposal	(270)	—	(98)	—	—	(368)
Gain or loss on repayment	—	(678)	—	—	—	(678)
Gain or loss on valuation	—	—	(6,567)	—	—	(6,567)
Gain or loss on derivatives	—	—	—	413,480	—	413,480
Total	₩992,660	(2,820,994)	(6,665)	604,386	(686)	(1,231,299)

(In millions of won)

	2023						
	Financial assets at amortized cost	Financial liabilities at amortized cost	Financial assets at FVTPL	Financial assets at FVOCI	Derivatives	Others	Total
Interest income	₩ 14,922	—	—	—	—	—	14,922
Interest expense	—	(433,974)	—	—	—	(481)	(434,455)
Foreign currency differences	(30,856)	(160,240)	—	—	(36,052)	—	(227,148)
Reversal of bad debt expense	3	—	—	—	—	—	3
Gain or loss on disposal	(899)	—	—	(329)	—	—	(1,228)
Gain or loss on repayment	—	(167)	—	—	—	—	(167)
Gain or loss on valuation	—	—	(6,476)	—	—	—	(6,476)
Gain or loss on derivatives	—	—	—	—	102,116	—	102,116
	₩(16,830)	(594,381)	(6,476)	(329)	66,064	(481)	(552,433)

LG DISPLAY CO., LTD.
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For the years ended December 31, 2024 and 2023

27. Leases

(a) Leases as lessee

The Company leases buildings, vehicles, machinery and equipment and others. Information about leases for which the Company is a lessee is presented below.

(i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see Note 9(a)).

Changes in right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024					
	Buildings	Land	Machinery and equipment	Vehicles	Others	Total
Beginning balance	₩ 8,507	—	533	4,763	195	13,998
Additions	360	1	2,548	3,071	1	5,981
Depreciation	(8,855)	(1)	(1,552)	(3,275)	(77)	(13,760)
Ending balance	₩ 12	—	1,529	4,559	119	6,219

(In millions of won)

	2023					
	Buildings	Land	Machinery and equipment	Vehicles	Others	Total
Beginning balance	₩ 189	23	365	4,787	96	5,460
Additions	16,920	—	882	3,622	144	21,568
Depreciation	(8,602)	(23)	(714)	(3,646)	(45)	(13,030)
Ending balance	₩ 8,507	—	533	4,763	195	13,998

(ii) Amounts recognized in profit or loss not from right-of-use assets for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Interest on lease liabilities	₩(686)	(481)
Expenses relating to short-term leases	(19)	(158)
Expenses relating to leases of low-value assets that are not short-term leases	(474)	(915)

LG DISPLAY CO., LTD.
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For the years ended December 31, 2024 and 2023

27. Leases, Continued

(iii) Changes in lease liabilities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Beginning balance	₩ 14,400	5,952
Additions	5,981	20,846
Interest expense	686	481
Repayment of liabilities	(14,533)	(12,879)
Ending balance	₩ 6,534	14,400

(iv) Total cash outflows from leases for the year ended December 31, 2024 amounted to ₩15,026 million (2023: ₩14,433 million).

(b) Leases as lessor

The Company leases out investment property and a portion of property, plant and equipment as operating leases (see Notes 9 and 11).

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

28. Cash flow information

(a) Details of cash flows generated from operations for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Loss for the period	₩(3,034,736)	(1,718,701)
Adjustments for:		
Income tax benefit (Note 23)	(52,755)	(913,413)
Depreciation and amortization (Note 19)	3,087,047	2,328,219
Gain on foreign currency translation	(503,939)	(258,871)
Loss on foreign currency translation	934,645	170,190
Expenses related to defined benefit plans (Note 13)	128,005	147,537
Gain on disposal of property, plant and equipment	(51,093)	(33,842)
Loss on disposal of property, plant and equipment	75,672	102,297
Impairment loss on property, plant and equipment	69,725	8,521
Reversal of impairment loss on property, plant and equipment	(4,314)	—
Gain on disposal of intangible assets	(25)	(1,989)
Loss on disposal of intangible assets	388	55
Impairment loss on intangible assets	72,490	54,833
Reversal of impairment loss on intangible assets	(14)	(242)
Expense on increase of provisions	88,471	49,787
Finance income	(676,878)	(2,371,466)
Finance costs	1,232,849	861,067
Others	(65,115)	(6,659)
Changes in:		
Trade accounts and notes receivable	(2,157,869)	(713,607)
Other accounts receivable	(131,567)	46,739
Inventories	(5,720)	143,635
Other current assets	11,571	97,879
Other non-current assets	2,414	(189)
Proceeds from settlement of derivatives	35,757	—
Trade accounts and notes payable	2,310,209	811,210
Other accounts payable	(518,888)	(80,411)
Accrued expenses	23,846	(105,247)
Provisions	(103,462)	(128,523)
Advances received	(6,195)	(370)
Other current liabilities	(2,860)	(29,774)
Defined benefit liabilities, net	(35,559)	(42,593)
Long-term advances received	—	1,580,222
Other non-current liabilities	2,237	33,891
Cash generated from operations	₩ 724,337	30,185

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28. Cash flow information, Continued

(b) Changes in liabilities arising from financing activities for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	January 1, 2024	Cash flows from financing activities	Non-cash transactions: Gain or loss on foreign currency translation	Non-cash transactions: Interest expense	Non-cash transactions: Others	December 31, 2024
Short-term borrowings	₩ 1,428,213	756,372	269,710	—	—	2,454,295
Payment guarantee liabilities	20,613	7,427	—	—	(12,270)	15,770
Long-term borrowings	6,785,749	(507,411)	267,531	4,203	—	6,550,072
Bonds	1,488,143	(370,000)	18,004	1,692	—	1,137,839
Lease liabilities	14,400	(13,847)	—	—	5,981	6,534
Total	₩ 9,737,118	(127,459)	555,245	5,895	(6,289)	10,164,510

(In millions of won)

	January 1, 2023	Cash flows from financing activities	Non-cash transactions: Gain or loss on foreign currency translation	Non-cash transactions: Interest expense	Non-cash transactions: Others	December 31, 2023
Short-term borrowings	₩ 1,952,289	(528,095)	4,019	—	—	1,428,213
Payment guarantee liabilities	19,241	7,195	—	—	(5,823)	20,613
Long-term borrowings	5,660,105	1,061,704	57,803	3,271	2,866	6,785,749
Bonds	1,448,746	35,276	2,237	1,717	167	1,488,143
Lease liabilities	5,952	(12,879)	—	—	21,327	14,400
Total	₩ 9,086,333	563,201	64,059	4,988	18,537	9,737,118

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

28. Cash flow information, Continued

(c) Details of significant non-cash transactions for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024	2023
Changes in other accounts payable arising from the purchase of property, plant and equipment	₩ (392,850)	(459,089)
Changes in other accounts payable arising from the purchase of intangible assets	(119,521)	(25,577)
Recognition of right-of-use assets and lease liabilities	5,981	21,568
Reclassification of the current portion of borrowing/bonds	(3,827,835)	(2,497,306)

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others

(a) Related parties

Details of related parties as of December 31, 2024 are as follows:

Classification	Description
Subsidiaries(*)	LG Display America, Inc. and others
Associates(*)	Paju Electric Glass Co., Ltd. and others
Entity that has significant influence over the Company	LG Electronics Inc.
Subsidiaries of the entity that has significant influence over the Company	Subsidiaries of LG Electronics Inc.

(*) Details of subsidiaries and associates are described in Note 8.

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LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(b) Details of major transactions with related parties for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*2)
Subsidiaries				
LG Display America, Inc.	₩15,192,477	—	—	688
LG Display Japan Co., Ltd.	1,032,290	—	—	668
LG Display Germany GmbH	1,542,058	—	—	22,583
LG Display Taiwan Co., Ltd.	2,573,337	—	—	3,190
LG Display Nanjing Co., Ltd.	84,928	—	1,648,818	11,779
LG Display Shanghai Co., Ltd.	608,564	—	—	64
LG Display Guangzhou Co., Ltd.	42,801	—	1,272,010	15,049
LG Display Shenzhen Co., Ltd.	568,415	—	—	—
LG Display Yantai Co., Ltd.	1	—	310,113	1,168
LG Display (China) Co., Ltd.	2,922	219,667	1,329,284	2,204
LG Display Singapore Pte. Ltd.	1,442,009	—	—	78,864
L&T Display Technology (Fujian) Limited	127,142	7,081	2	68
Nanumnuri Co., Ltd.	272	470	—	24,144
LG Display Guangzhou Trading Co., Ltd.	386,330	—	—	—
LG Display Vietnam Haiphong Co., Ltd.	147,453	—	3,560,274	38,301
Suzhou Lehui Display Co., Ltd.	80,985	—	1,861	3
LG Display High-Tech (China) Co., Ltd.	1,078	—	2,515,439	4,130

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)	2024			
			Purchase and others	
	Sales and Others	Dividend income	Purchase of raw material and others	Others (*2)
Associates				
WooRee E&L Co., Ltd. (*1)	₩ —	—	355	32
AVATEC Co., Ltd. (*1)	—	200	52,983	2,947
Paju Electric Glass Co., Ltd.	—	—	237,002	8,428
YAS Co., Ltd. (*1)	—	—	5,266	4,945
Material Science Co., Ltd.	—	—	3,579	1,512
Entity that has significant influence over the Company				
LG Electronics Inc.	₩326,387	—	11,662	205,894

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29. Related Parties and Others, Continued

(In millions of won)	2024			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*2)
Subsidiaries of the entity that has significant influence over the Company				
LG Electronics India Pvt. Ltd.	₩ 52,736	—	—	275
LG Electronics Vietnam Haiphong Co., Ltd.	202,561	—	—	5,859
LG Electronics Reynosa S.A. DE C.V.	17,158	—	—	746
LG Electronics do Brasil Ltda.	17,672	—	—	248
LG Electronics RUS, LLC	—	—	—	4,005
LG Electronics Egypt S.A.E	24,454	—	—	32
LG Innotek Co., Ltd.	10,356	—	3	72,123
P.T. LG Electronics Indonesia	25,729	—	—	1,254
Others	12	—	—	19,999
Total	₩24,510,127	227,418	10,948,651	531,202

(*1) For the year ended December 31, 2024, WooRee E&L Co., Ltd., AVATEC Co., Ltd. and YAS Co., Ltd. were excluded from related parties and others due to loss of significant influence and transaction amount is the amount prior to exclusion.

(*2) Others include the amount of the acquisition of property, plant, and equipment.

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LG DISPLAY CO., LTD.
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For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)	2023			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*)
Subsidiaries				
LG Display America, Inc.	₩11,836,330	—	—	31
LG Display Japan Co., Ltd.	886,532	—	—	367
LG Display Germany GmbH	1,179,578	—	—	24,493
LG Display Taiwan Co., Ltd.	1,630,390	—	—	1,585
LG Display Nanjing Co., Ltd.	105,478	425,666	1,510,177	12,173
LG Display Shanghai Co., Ltd.	481,138	—	—	—
LG Display Guangzhou Co., Ltd.	25,122	1,042,837	1,371,846	17,964
LG Display Shenzhen Co., Ltd.	427,220	—	—	—
LG Display Yantai Co., Ltd.	895	345,527	379,821	1,586
LG Display (China) Co., Ltd.	1,325	57,966	994,229	1,562
LG Display Singapore Pte. Ltd.	1,141,925	—	—	128
L&T Display Technology (Fujian) Limited	117,993	8,496	4	179
Nanumnuri Co., Ltd.	238	—	—	23,671
LG Display Guangzhou Trading Co., Ltd.	450,139	—	—	—
LG Display Vietnam Haiphong Co., Ltd.	31,514	—	2,708,782	32,327
Suzhou Lehui Display Co., Ltd.	99,047	—	23,079	28
LG Display High-Tech (China) Co., Ltd.	5,537	—	2,438,622	4,515

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)	2023			
			Purchase and others	
	Sales and Others	Dividend income	Purchase of raw material and others	Others (*)
Associates				
WooRee E&L Co., Ltd.	₩ —	—	455	513
AVATEC Co., Ltd.	—	—	43,662	11,002
Paju Electric Glass Co., Ltd.	—	15,200	176,831	4,341
YAS Co., Ltd.	—	—	9,832	15,235
Material Science Co., Ltd.	—	—	—	179
Entity that has significant influence over the Company				
LG Electronics Inc.	₩211,627	—	12,739	212,446

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)	2023			
			Purchase and others	
	Sales and others	Dividend income	Purchase of raw material and others	Others (*)
Subsidiaries of the entity that has significant influence over the Company	₩			
LG Electronics India Pvt. Ltd.	47,031	—	—	270
LG Electronics Vietnam Haiphong Co., Ltd.	434,789	—	—	967
LG Electronics Reynosa S.A. DE C.V.	29,314	—	—	810
LG Electronics do Brasil Ltda.	24,313	—	—	316
LG Electronics RUS, LLC	—	—	—	2,359
LG Electronics Egypt S.A.E	20,225	—	—	46
LG Innotek Co., Ltd.	7,229	—	18	100,272
P.T. LG Electronics Indonesia	25,520	—	—	2,231
Others	130	—	8	18,227
Total	₩19,220,579	1,895,692	9,670,105	489,823

(*) Others include the amount of the acquisition of property, plant, and equipment.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(c) Details of balances of receivables and payables from transaction with related parties as of December 31, 2024 and 2023 are as follows:

(In millions of won)

	Trade accounts and notes receivable and others		Trade accounts and notes payable and others	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Subsidiaries				
LG Display America, Inc.	₩ 2,360,124	1,817,773	473	4
LG Display Japan Co., Ltd.	195,597	134,107	1	26
LG Display Germany GmbH	521,945	50,322	12,631	3,234
LG Display Taiwan Co., Ltd.	778,589	60,663	181	96
LG Display Nanjing Co., Ltd.	265	2,869	2,572,165	1,796,033
LG Display Shanghai Co., Ltd.	122,650	241,039	29	—
LG Display Guangzhou Co., Ltd.	75	205	991,122	1,241,145
LG Display Guangzhou Trading Co., Ltd.	292,729	287,296	—	—
LG Display Shenzhen Co., Ltd.	88,304	75,709	—	—
LG Display Yantai Co., Ltd.	1	1	172,693	228,364
LG Display (China) Co., Ltd.	2,251	2,452	992,630	451,003
LG Display Singapore Pte. Ltd.	283,171	24,171	2,161,167	3
L&T Display Technology (Fujian) Limited	29,366	24,690	137,881	103,501
Nanumnuri Co., Ltd.	—	—	1,795	2,316
LG Display Vietnam Haiphong Co., Ltd.	19,057	23,402	1,686,540	1,180,951
Suzhou Lehui Display Co., Ltd.	6,311	24,829	32	2,532
LG Display High-Tech (China) Co., Ltd.	19,214	34,268	2,689,403	1,730,516

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)

	Trade accounts and notes receivable and others		Trade accounts and notes payable and others	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Associates				
WooRee E&L Co., Ltd. (*1)	₩ —	695	—	645
AVATEC Co., Ltd. (*1)	—	—	—	4,775
Paju Electric Glass Co., Ltd.	—	—	64,140	56,136
YAS Co., Ltd. (*1)	—	—	—	7,875
Material Science Co., Ltd.	—	—	261	118
Entity that has significant influence over the Company				
LG Electronics Inc. (*2)	₩ 177,926	62,027	1,042,000	1,044,258

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)

	Trade accounts and notes receivable and others		Trade accounts and notes payable and others	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Subsidiaries of the entity that has significant influence over the Company				
LG Innotek Co., Ltd. (*3)	₩ 1,734	2,521	201,297	211,476
P.T. LG Electronics Indonesia	4,335	3,771	53	108
LG Electronics Reynosa S.A. DE C.V	820	3,814	—	109
LG Electronics India Pvt. Ltd.	3,317	2,013	—	35
LG Electronics Vietnam Haiphong Co., Ltd.	32,967	76,952	919	211
LG Electronics RUS, LLC	—	—	—	203
LG Electronics Egypt S.A.E	3,877	369	7	1
Others	2,693	6,122	5,806	1,811
Total	₩ 4,947,318	2,962,080	12,733,226	8,067,485

(*1) For the year ended December 31, 2024, as it was excluded from related parties and others due to loss of significant influence, there are no outstanding receivables or payables.
(*2) Trades accounts and notes payable and others for LG Electronics Inc. as of December 31, 2024 and 2023 includes long-term borrowings of ₩1,000,000 million (see Note 12.(c)).
(*3) Trade accounts and note payable and others for LG Innotek Co., Ltd. as of December 31, 2024 and 2023 includes deposits received amount ₩180,000 million from lease agreement.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(d) Details of significant financial transactions with related parties and others for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)	2024			
	Company Name	Borrowings	Capital increase	Collection of loans
Subsidiary	LG Display Singapore Pte. Ltd. (*1)	₩1,989,054	—	—
Associates	WooRee E&L Co., Ltd. (*2)	—	—	256
Entity that has significant influence over the Company	LG Electronics Inc.	—	436,031	—

(*1) For the year ended December 31, 2024, the Company has entered into a borrowing agreement with LG Display Singapore Pte. Ltd. with a limit of USD 1,600 million (₩2,352,000 million), of which USD 1,470 million (₩2,160,900 million) has been executed and is included in short-term borrowings.

(*2) For the year ended December 31, 2024, it was excluded from related parties and others due to loss of significant influence and transaction amount is the amount prior to exclusion.

For the year ended December 31, 2024, the Company contributed ₩6,831 million in cash for the capital increase of LG DISPLAY FUND I LLC and increased by ₩47,700 million as a result of acquisition and disposal of Money Market Trust in addition to the above transactions.

(In millions of won)	2023		
	Company Name	Borrowings	Collection of loans
Associates	WooRee E&L Co., Ltd.	₩ —	183
Entity that has significant influence over the Company	LG Electronics Inc.(*)	1,000,000	—

(*) The Company entered into a loan agreement with LG Electronics Inc. on March 27, 2023 for a total borrowing amount of ₩1,000,000 million, and received ₩650,000 million on March 30, 2023 and ₩350,000 million on April 20, 2023.

For the year ended December 31, 2023, the Company contributed ₩5,840 million in cash for the capital increase of LG DISPLAY FUND I LLC and increased by ₩92,900 million as a result of acquisition and disposal of Money Market Trust in addition to the above transactions.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(e) Large Enterprise Group Transactions

According to the 'Related Party Disclosures' under the Korean IFRS 1024, although not included in the scope of related parties, the major transaction details with the Large Enterprise Group subsidiaries and their affiliates, as well as the amounts of receivables and payables for the years ended December 31, 2024 and 2023, in accordance with the Monopoly Regulation and Fair Trade Act, are as follows:

(In millions of won)

	For the year ended December 31, 2024		December 31, 2024	
	Sales and others	**Purchase and others**	**Trade accounts and notes receivable and others**	**Trade accounts and notes payable and others**
LG Uplus Corp.	₩105,300	2,761	—	164
LG Chem Ltd. and its subsidiaries	440	449,295	160	183,430
D&O Corp. and its subsidiaries (*1)	269	43,451	—	4,343
LG Corp. (*2)	—	63,471	7,551	10,731
LG Management Development Institute	—	30,536	3	340
LG CNS Co., Ltd. and its subsidiaries	—	177,676	—	64,692
HS AD Inc. and its subsidiaries	—	5,435	—	542
Robostar Co., Ltd.	—	545	—	369
Total	₩106,009	773,170	7,714	264,611

(*1) Among the matters related to D&O Corp. (formerly S&I Corporation Co., Ltd.) and its subsidiaries, S&I Corporation Co., Ltd. and Xi C&A Co., Ltd. were excluded from the large corporate group as of March 19, 2024 and reflected based on the transaction amount for the three-month period ended March 31, 2024.

(*2) According to the lease agreement signed with LG Corp., no recognized lease liabilities as of December 31, 2024. The lease repayment for the year ended December 31, 2024 amounts to ₩9,681 million.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(In millions of won)

	For the year ended December 31, 2023		December 31, 2023	
	Sales and others	Purchase and others	Trade accounts and notes receivable and others	Trade accounts and notes payable and others
LG Uplus Corp.	₩ —	2,451	—	206
LG Chem Ltd. and its subsidiaries	252	354,072	18	155,312
D&O Corp. and its subsidiaries	308	434,179	—	69,503
LG Corp. (*1)	1,891	51,906	16,261	5,575
LG Management Development Institute	—	40,217	—	543
LG CNS Co., Ltd. and its subsidiaries	—	210,882	—	89,939
HS AD Inc. (formerly, G2R Inc.) and its subsidiaries (*2)	—	19,226	—	5,687
Robostar Co., Ltd.	—	708	—	217
Total	₩ 2,451	1,113,641	16,279	326,982

(*1) According to the lease agreement signed with LG Corp., the recognized lease liabilities as of December 31, 2023 are ₩8,493 million, and the lease liabilities are not included in the amount of ‘Trade accounts and notes payable and others’ above. The lease repayment for the year ended December 31, 2023 amounts to ₩8,328 million.

(*2) G2R Inc. changed its name to HS AD Inc. on July 1, 2023.

LG DISPLAY CO., LTD.
Notes to the Separate Financial Statements
For the years ended December 31, 2024 and 2023

29. Related Parties and Others, Continued

(f) Key management personnel compensation

Details of compensation costs of key management for the years ended December 31, 2024 and 2023 are as follows:

(In millions of won)

	2024	2023
Short-term benefits	₩2,397	2,291
Expenses related to the defined benefit plan	604	355
	₩3,001	2,646

Key management refers to the registered directors who have significant control and responsibilities over the Company's operations and business.

(g) At the end of the reporting period, the Company did not set an allowance for doubtful accounts on the balance of receivables for related parties.

30. Assets Held for Sale

For the year ended December 31, 2024, management of the Company decided to sell 51% of its stake in LG Display (China) Co., Ltd. and 100% of its stake in LG Display Guangzhou Co., Ltd. to TCL CSOT. The contract was signed on September 26, 2024, and the transaction is expected to be completed within one year. As a result, the investments in LG Display (China) Co., Ltd. and LG Display Guangzhou Co., Ltd. are presented as assets held for sale.

(a) Details of assets held for sale

(In millions of won)

	December 31, 2024
Investments in subsidiaries (*)	₩ 1,016,645

(*) There is no impairment loss recognized for assets held for sale, as the net fair value of the disposal group is expected to exceed the carrying amount.

(b) There is no other comprehensive income recognized in relation to the disposal group classified as assets held for sale.

Independent Auditor's Report on
Internal Control over Financial Reporting

(English Translation of a Report Originally Issued in Korean)

To the Board of Directors and Shareholders of
LG Display Co., Ltd.

Opinion on Internal Control over Financial Reporting

We have audited Internal Control over Financial Reporting of LG Display Co., Ltd. (the "Company") as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as at December 31, 2024, based on *Conceptual Framework for Designing and Operating Internal Control over Financial Reporting*.

We also have audited, in accordance with Korean Standards on Auditing, the financial statements of the Company, which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements including material accounting policy information, and our report dated March 4, 2025 expressed unqualified opinion.

Basis for Opinion on Internal Control over Financial Reporting

We conducted our audit in accordance with Korean Standards on Auditing. Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting* section of our report. We are independent of the Company in accordance with the ethical requirements of the Republic of Korea that are relevant to our audit of internal control over financial reporting purposes and we have fulfilled our other ethical responsibilities in accordance with the ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for Internal Control over Financial Reporting

Management is responsible for designing, implementing and maintaining effective internal control over financial reporting, and for its assessment about the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting.

Those charged with governance have the responsibilities for overseeing internal control over financial reporting.

Auditor's Responsibilities for the Audit of Internal Control over Financial Reporting

Our responsibility is to express an opinion on internal control over financial reporting of the Company based on our audit. We conducted the audit in accordance with Korean Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

An audit of internal control over financial reporting performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. An audit includes obtaining an understanding of internal control over financial reporting and testing and evaluating the design and operating effectiveness of internal control over financial reporting based on the assessed risk.

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Definition and Inherent Limitations of Internal Control over Financial Reporting

The Company's internal control over financial reporting purposes is a process effected by those charged with governance, management, and other personnel, designed to provide reasonable assurance regarding the preparation of reliable consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea. The Company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention, or timely detection and correction of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements. Also, projections of any assessment of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditor's report is Sang-Woo Nam, Certified Public Accountant.

Seoul, Korea
March 4, 2025

This report is effective as at March 4, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the Company's internal control over financial reporting thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Management's Report on the Effectiveness of
Internal Control over Financial Reporting

(English Translation of a Report Originally Issued in Korean)

To the Shareholders, Board of Directors and Audit Committee of LG Display Co., Ltd.

We, as the Chief Executive Officer (CEO) and the Internal Control over Financial Reporting Officer of LG Display Co., Ltd. ("the Company"), assessed the effectiveness of the design and operation of the Company's Internal Control over Financial Reporting for the year ended December 31, 2024.

The Company's management, including ourselves, is responsible for designing and operating internal control over financial reporting.

We assessed the design and operating effectiveness of internal control over financial reporting in the prevention and detection of an error or fraud which may cause material misstatements in the preparation and disclosure of reliable financial statements.

We designed and operated internal control over financial reporting in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting established by the Operating Committee of Internal Control over Financial Reporting in Korea. And, we conducted an evaluation of internal control over financial reporting based on Detailed Enforcement Rules of the Regulation on External Audit and Accounting, etc. Table 6 Internal Control over Financial Reporting Evaluation and Reporting Standards.

Based on the assessment results, we believe that the Company's internal control over financial reporting, as at December 31, 2024, is designed and operated effectively, in all material respects, in accordance with Conceptual Framework for Designing and Operating Internal Control over Financial Reporting.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which cause material misunderstandings, and we have reviewed and verified this report with sufficient due care.

<Attachment>

Internal control activities performed by the Company to address risks to embezzlement and other financial fraud

January 20, 2025

Cheoldong Jeong,
Chief Executive Officer

Sunghyun Kim,
Internal Control over Financial Reporting Officer

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<Attachment>

Internal control activities performed by the Company to address risks to embezzlement and other financial fraud

Internal control over Financial Reporting

Category	Control Activities Performed by the Company	Design and Operation Assessment Results (Execution department, execution time, etc.)
Entity Level Control	<Operation of anti-fraud system> The management periodically notifies all executives and employees of the importance of ethical management related to the Code of Ethics and the Code of Conduct, and operates an anonymous reporting channel for violations of the Code of Ethics and internal accounting control regulations.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Periodic monitoring of Segregation of Duty Status> Internal Control & Consolidation Accounting Team defines incompatible tasks, and periodically monitors and reports on the adequacy of segregation of duty and access rights.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
Control of Treasury	<Account Registration Management> The cash management Team Leader reviews and approves the adequacy of account registration.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Seal, OTP management> Physical access to seals and OTPs is restricted except for the person in charge of the supervising department, and when using a seal, it can be stamped after confirming the purpose of use and approval details of the requesting department.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Segregation of Duty related to payment> Register Preliminary Payment, Electronic Payment, Internal Account Transfer, Foreign Exchange Transaction, etc., are separate from those in charge of the creator and the approver.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Daily Account Balance Reconciliation> The person in charge performs the reconciliation of the bank balance for each daily account and takes necessary action in case of any discrepancies.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Restriction on the use of corporate credit cards> Corporate cards are managed according to standards such as usage limits for each position, and the system is set up to prohibit the expense processing and approval for improper use.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
Other Process Level Control	<Supplier Account Registration Management> The discretionary authority of the department such as in charge of purchasing, etc., reviews and approves whether the evaluation details of the company for the new supplier meet the standards, and the cash management team leader checks the original documents required for the registration of the company and approves the account registration.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Sales Confirmation> At the end of each month, the person in charge of the sales department agrees/confirms the monthly sales amount with each customer, including the sales price and quantity by model, and reports it to the leader.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)
	<Report on Inventory Physical Inspection Results> The discretionary authority of the supervising department reviews and approves the results of the regular physical inspection of inventory assets.	As a result of the test performed, No material weakness found (Internal Control & Consolidation Accounting Team, '24.July, '24.November, '25.January)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LG Display Co., Ltd.

(Registrant)

Date: March 12, 2025

By:	/s/ Kyu Dong Kim
	(Signature)
Name:	Kyu Dong Kim
Title:	Vice President / Finance & Risk Management Division