

# **LX International Corp.**

**Separate Financial Statements  
As of and for the Years Ended  
December 31, 2025 and 2024**

**(With the Independent Auditor's Report Thereon)**

**LX International Corp.**

## Table of Contents

|  | Page |
|--|------|
| Independent Auditor's Report   | 1    |
| Separate Financial Statements  |      |
| Statements of Financial Position   | 6    |
| Statements of Profit or Loss   | 8    |
| Statements of Comprehensive Income   | 9    |
| Statements of Changes in Equity  | 10   |
| Statements of Cash Flows   | 11   |
| Notes to Separate Financial Statements   | 12   |
| Independent Auditor's Report on Internal Control over Financial Reporting                      | 103  |
| Management's Report on the Operations of Internal Control over Financial Reporting (in Korean) | 105  |

## Independent Auditor's Report

### English Translation of Independent Auditor's Report Originally Issued in Korean on March 17, 2026.

To the Shareholders and the Board of Directors of  
LX International Corp.:

#### Report on the Audited Separate Financial Statements

##### Audit Opinion

We have audited the separate financial statements of LX International Corp. (the "Company"), which comprise the separate statements of financial position as of December 31, 2025 and 2024, and the related separate statements of profit or loss, separate statements of comprehensive income, separate statements of changes in equity and separate statements of cash flows, all expressed in Korean won, for the years then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("K-IFRSs").

We have also audited, in accordance with the Korean Standards on Auditing ("KSAs"), the internal control over financial reporting of the Company as of December 31, 2025, based on the criteria established in 'Conceptual Framework for Design and Operation of Internal Control over Financial Reporting,' and our report dated March 17, 2026, expressed unqualified opinion.

##### Basis for Audit Opinion

We conducted our audits in accordance with the KSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Separate Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the separate financial statements in the Republic of Korea and we have fulfilled our other ethical responsibilities in accordance with these 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

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

# Deloitte.

## Impairment Assessment of Investment in Subsidiaries

Reason for determining as a key audit matter

As of December 31, 2025, the Company recognized ₩3,622,079 million in investment in subsidiaries. The Company annually assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets and recognizes impairment losses, if necessary.

The Company performs impairment assessments considering the value in use, which is based on the Discounted Cash Flow method for indication that asset may be impaired. The value in use involves significant judgments and estimates by the Company's management, such as discount rates, growth rates and future cash flow forecasts. Hence, we determined the impairment assessment of investment in subsidiaries as a key audit matter.

How the key audit matter was addressed in the audit?

The main audit procedures we performed in relation to this matter are as follows:

- Understanding and evaluating the Company's policies, processes and internal controls related to the review of impairment indicators and impairment assessment.
- Evaluating the qualifications and independence of external experts utilized by the Company for impairment assessment.
- Questionnaire and document inspection regarding the future expected cash flows used by the Company for impairment assessment:
  - Retrospective review of the accuracy of forecasts by comparing past forecasts with actual results
  - Questioning the assumptions applied to future cash flow estimates and independent review of the feasibility of these assumptions
- Use of the auditor's internal experts to verify the appropriateness of the discount rates and assumptions used in the valuation model.

## **Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements**

Management is responsible for the preparation of the accompanying separate financial statements in accordance with K-IFRSs, and for such internal control as they determine is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management of the Company 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, or has no realistic alternative, but to do so.

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

## **Auditor's Responsibilities for the Audits of the Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the separate 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 KSAs 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 separate financial statements.

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

- Identify and assess the risks of material misstatement of the separate 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 audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 separate 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 separate financial statements, including the disclosures, and whether the separate 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 Company to express an opinion on the separate financial statements. We are responsible for the direction, supervision and performance of the audit. We are solely responsible for our audit opinion.

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

We will 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.

# Deloitte.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate 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 Ki Hyeon Kim.

*Deloitte idnjin LLC*

March 17, 2026

## Notice to Readers

This report is effective as of March 17, 2026, the auditor's report date. Certain subsequent events or circumstances may have occurred between the auditor's report date and the time the auditor's report is read. Such events or circumstances could significantly affect the separate financial statements and may result in modifications to the auditor's report.

# **LX International Corp.** **(the “Company”)**

Separate financial statements  
as of and for the years ended December 31, 2025 and 2024

“The accompanying separate financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Company.”

**Chun-sung Yoon**  
**Chief Executive Officer**  
**LX International Corp.**

**LX International Corp.**  
**Separate statements of financial position**  
**As of December 31, 2025 and 2024**

(Korean won in millions)

|                                    | Notes               | 2025               | 2024               |
|------------------------------------|---------------------|--------------------|--------------------|
| <b>Assets</b>                      |                     |                    |                    |
| <b>Current assets</b>              |                     |                    |                    |
| Cash and cash equivalents          | 4, 5, 6, 26         | ₩ 341,866          | ₩ 143,180          |
| Short-term financial instruments   | 4, 5, 6, 12, 26     | 21,196             | 21,470             |
| Trade accounts receivable, net     | 4, 6, 12, 24, 26    | 406,597            | 395,215            |
| Other accounts receivable, net     | 4, 6, 12, 26        | 20,120             | 23,660             |
| Accrued income, net                | 4, 6, 12, 24, 26    | 1,507              | 262                |
| Advance payments                   |                     | 410                | 259                |
| Prepaid expenses                   |                     | 1,551              | 1,546              |
| Other current assets               | 4, 6, 12, 26        | 5,095              | 3,114              |
| Inventories, net                   | 7                   | 82,578             | 100,361            |
| Assets held for sale               | 29                  | -                  | 17,500             |
| <b>Total current assets</b>        |                     | <b>880,920</b>     | <b>706,567</b>     |
| <b>Non-current assets</b>          |                     |                    |                    |
| Investment assets                  | 4, 6, 8, 12, 24, 26 | 73,896             | 104,676            |
| Investments in subsidiaries        | 9, 22, 24, 25       | 3,622,079          | 3,694,564          |
| Investments in associates          | 9, 22, 24, 25       | 115,381            | 136,151            |
| Property, plant and equipment, net | 10, 28              | 8,844              | 10,374             |
| Intangible assets, net             | 11                  | 21,730             | 14,651             |
| Other non-current assets           | 4, 5, 6, 12, 20, 26 | 5,481              | 5,379              |
| <b>Total non-current assets</b>    |                     | <b>3,847,411</b>   | <b>3,965,795</b>   |
| <b>Total assets</b>                |                     | <b>₩ 4,728,331</b> | <b>₩ 4,672,362</b> |

(Continued)

**LX International Corp.**  
**Separate statements of financial position**  
**As of December 31, 2025 and 2024**

(Korean won in millions)

|  | Notes        | 2025               | 2024               |
|--|--------------|--------------------|--------------------|
| <b>Liabilities</b>                                   |              |                    |                    |
| <b>Current liabilities</b>                           |              |                    |                    |
| Short-term borrowings                                | 4, 6, 13, 26 | ₩ -                | ₩ 150,000          |
| Trade accounts payable                               | 4, 6, 26     | 380,908            | 316,884            |
| Other accounts payable                               | 4, 6, 24, 26 | 49,535             | 89,684             |
| Advance received                                     | 17           | 76                 | 315                |
| Withholdings   | 4, 6, 26     | 824                | 695                |
| Current tax liabilities                              | 23           | -                  | 3,816              |
| Accrued expenses                                     | 4, 6, 26     | 11,115             | 21,138             |
| Current portion of bonds<br>and long-term borrowings | 4, 6, 13, 26 | 349,964            | 307,537            |
| Lease liabilities                                    | 4, 6, 26, 28 | 2,724              | 3,033              |
| Current portion of provisions                        | 14           | 1,712              | 1,712              |
| <b>Total current liabilities</b>                     |              | <u>796,858</u>     | <u>894,814</u>     |
| <b>Non-current liabilities</b>                       |              |                    |                    |
| Bonds  | 4, 6, 13, 26 | 638,910            | 459,259            |
| Long-term borrowings                                 | 4, 6, 13, 26 | 472,384            | 515,014            |
| Lease liabilities                                    | 4, 6, 26, 28 | 1,467              | 2,715              |
| Provisions   | 14           | 142                | 142                |
| Deferred tax liabilities                             | 23           | 2,341              | 92,619             |
| Other non-current liabilities                        | 4, 6, 26     | 1,371              | 1,281              |
| <b>Total non-current liabilities</b>                 |              | <u>1,116,615</u>   | <u>1,071,030</u>   |
| <b>Total liabilities</b>                             |              | <u>1,913,473</u>   | <u>1,965,844</u>   |
| <b>Equity</b>  |              |                    |                    |
| Capital stocks                                       | 15           | 193,800            | 193,800            |
| Capital surplus                                      | 15           | 102,125            | 102,125            |
| Other components of equity                           | 15           | (40,690)           | (40,690)           |
| Accumulated other comprehensive loss                 | 15           | 278,283            | 239,973            |
| Retained earnings                                    | 15           | 2,281,340          | 2,211,310          |
| <b>Total equity</b>                                  |              | <u>2,814,858</u>   | <u>2,706,518</u>   |
| <b>Total liabilities and equity</b>                  |              | <u>₩ 4,728,331</u> | <u>₩ 4,672,362</u> |

(Concluded)

**The accompanying notes are an integral part of the separate financial statements.**

**LX International Corp.**  
**Separate statements of profit or loss**  
**For the years ended December 31, 2025 and 2024**

(Korean won in millions)

|   | <u>Notes</u> | <u>2025</u>        | <u>2024</u>        |
|---|--------------|--------------------|--------------------|
| <b>Sales</b>                                      | 3, 17, 24    | ₩ 3,510,585        | ₩ 3,649,842        |
| Cost of sales                                     | 7, 19, 24    | <u>(3,377,167)</u> | <u>(3,492,278)</u> |
| <b>Gross profit</b>                               |              | 133,418            | 157,564            |
| Selling and administrative expenses               | 18, 19, 24   | <u>(163,556)</u>   | <u>(175,553)</u>   |
| <b>Operating profit</b>                           |              | (30,138)           | (17,989)           |
| Finance income                                    | 4, 6, 21     | 139,365            | 180,682            |
| Finance costs                                     | 4, 6, 21     | (178,624)          | (216,345)          |
| Share of profit of associates                     | 9, 21        | 153,665            | 368,011            |
| Other non-operating expenses, net                 | 4, 21        | 4,379              | 2,398              |
| <b>Profit before income tax expense (benefit)</b> |              | 88,647             | 316,757            |
| Income tax expense (benefit)                      | 23           | <u>52,624</u>      | <u>(68,455)</u>    |
| <b>Profit for the year</b>                        |              | <u>₩ 141,271</u>   | <u>₩ 248,302</u>   |
| <b>Earnings per share:</b>                        |              |                    |                    |
| Basic and diluted, earnings per share             | 15           | ₩ 3,928            | ₩ 6,903            |

**The accompanying notes are an integral part of the separate financial statements.**

**LX International Corp.**  
**Separate statements of comprehensive income**  
**For the years ended December 31, 2025 and 2024**

(Korean won in millions)

|   | <u>Notes</u> | <u>2025</u>    | <u>2024</u>      |
|---|--------------|----------------|------------------|
| <b>Profit for the year</b>  | ₩            | 141,271        | ₩ 248,302        |
| <b>Other comprehensive income (loss)</b>  |              |                |                  |
| Items that may be reclassified subsequently to profit or loss:  |              |                |                  |
| Profit(Loss) on valuation of cash flow hedge derivatives  | 4, 6         | 563            | -                |
| Equity adjustments in equity method   | 9            | (4,816)        | 200,726          |
| Exchange differences on translation of foreign operations   |              | (296)          | (1,479)          |
|   |              | <u>(4,549)</u> | <u>199,247</u>   |
| Items that will not be reclassified subsequently to profit or loss:   |              |                |                  |
| Loss on valuation of financial assets designated at Fair Value Through Other Comprehensive Income("FVTOCI") | 4, 8         | (24,495)       | (21,792)         |
| Remeasurement gain on defined benefit plans   | 20           | (318)          | (1,145)          |
| Change in retained earnings in equity method  | 9            | 1,014          | 1,463            |
| Equity adjustments in equity method   | 9            | 67,353         | 5,408            |
|   |              | <u>43,554</u>  | <u>(16,066)</u>  |
| <b>Other comprehensive income for the year, net of tax</b>  |              | <u>39,005</u>  | <u>183,181</u>   |
| <b>Total comprehensive income for the period, net of tax</b>  | ₩            | <u>180,276</u> | ₩ <u>431,483</u> |

The accompanying notes are an integral part of the separate financial statements.

**LX International Corp.**  
**Separate statements of changes in equity**  
**For the years ended December 31, 2025 and 2024**

(Korean won in millions)

|  | Capital stocks | Capital surplus | Other components of equity | Accumulated other comprehensive income (loss) | Retained earnings | Total       |
|--|----------------|-----------------|----------------------------|---|-------------------|-------------|
| <b>As of January 1, 2024</b>                               | ₩ 193,800      | ₩ 102,125       | ₩ (40,690)                 | ₩ 57,111                                      | ₩ 2,005,851       | ₩ 2,318,197 |
| <b>Comprehensive income (loss) for the year:</b>           |                |                 |                            |   |                   |             |
| Profit for the year  | -              | -               | -                          | -   | 248,302           | 248,302     |
| Equity adjustments in equity method                        | -              | -               | -                          | 206,133                                       | -                 | 206,133     |
| Exchange differences on translation of foreign operations  | -              | -               | -                          | (1,479)                                       | -                 | (1,479)     |
| Loss on valuation of financial assets designated at FVTOCI | -              | -               | -                          | (21,792)                                      | -                 | (21,792)    |
| Remeasurement loss on defined benefit plans                | -              | -               | -                          | -   | (1,145)           | (1,145)     |
| Change in retained earnings in equity method               | -              | -               | -                          | -   | 1,463             | 1,463       |
| <b>Total comprehensive income</b>                          | -              | -               | -                          | 182,862                                       | 248,620           | 431,482     |
| Dividends  | -              | -               | -                          | -   | (43,161)          | (43,161)    |
| <b>As of December 31, 2024</b>                             | ₩ 193,800      | ₩ 102,125       | ₩ (40,690)                 | ₩ 239,973                                     | ₩ 2,211,310       | ₩ 2,706,518 |
| <b>As of January 1, 2025</b>                               | ₩ 193,800      | ₩ 102,125       | ₩ (40,690)                 | ₩ 239,973                                     | ₩ 2,211,310       | ₩ 2,706,518 |
| <b>Comprehensive income (loss) for the year:</b>           |                |                 |                            |   |                   |             |
| Profit for the year  | -              | -               | -                          | -   | 141,271           | 141,271     |
| Gain on valuation of derivatives for cash flow hedges      | -              | -               | -                          | 563   | -                 | 563         |
| Equity adjustments in equity method                        | -              | -               | -                          | 62,537  | -                 | 62,537      |
| Exchange differences on translation of foreign operations  | -              | -               | -                          | (296)   | -                 | (296)       |
| Loss on valuation of financial assets designated at FVTOCI | -              | -               | -                          | (24,495)                                      | -                 | (24,495)    |
| Remeasurement loss on defined benefit plans                | -              | -               | -                          | -   | (318)             | (318)       |
| Change in retained earnings in equity method               | -              | -               | -                          | -   | 1,014             | 1,014       |
| <b>Total comprehensive income</b>                          | -              | -               | -                          | 38,310  | 141,966           | 180,276     |
| Dividends  | -              | -               | -                          | -   | (71,936)          | (71,936)    |
| <b>As of December 31, 2025</b>                             | ₩ 193,800      | ₩ 102,125       | ₩ (40,690)                 | ₩ 278,283                                     | ₩ 2,281,340       | ₩ 2,814,858 |

The accompanying notes are an integral part of the separate financial statements.

**LX International Corp.**  
**Separate statements of cash flows**  
**For the years ended December 31, 2025 and 2024**

(Korean won in millions)

|  | Notes  | 2025             | 2024             |
|--|--------|------------------|------------------|
| <b>Cash flows from operating activities:</b>   |        |                  |                  |
| Profit for the year  |        | ₩ 141,271        | ₩ 248,302        |
| Non-cash adjustments to reconcile profit for the year to net cash flows provided by operating activities | 27     | (151,386)        | (235,048)        |
| Working capital adjustments  | 27     | 18,474           | (41,530)         |
| Interest received  |        | 8,731            | 14,574           |
| Interest paid  |        | (64,359)         | (53,117)         |
| Dividends received   |        | 360,892          | 161,080          |
| Income taxes paid  |        | (12,587)         | (2,483)          |
| <b>Net cash flows provided by operating activities</b>   |        | <b>301,036</b>   | <b>91,778</b>    |
| <b>Cash flows from investing activities:</b>   |        |                  |                  |
| Decrease in loans  |        | 2,196            | 37,209           |
| Decrease in guarantee deposits   |        | 127              | 329              |
| Proceeds from disposal and capital reduction of investments in associates                                | 9      | -                | 6,447            |
| Proceeds from disposal of assets held for sale   | 29     | 17,499           | 15,545           |
| Proceeds from disposal of property, plant and equipment  | 10     | 516              | 68               |
| Proceeds from disposal of intangible assets  | 11     | 6,164            | 2,339            |
| Settlement of derivatives  |        | (3,599)          | (20,019)         |
| Increase in loans  |        | (2,762)          | (2,695)          |
| Increase in guarantee deposits   |        | (455)            | (120)            |
| Acquisition of investments in subsidiaries   | 9, 24  | (59,479)         | (383,942)        |
| Acquisition of investments in associates   | 9, 24  | (5,831)          | -                |
| Acquisition of property, plant and equipment   | 10     | (970)            | (3,527)          |
| Acquisition of intangible assets   | 11     | (4,932)          | (1,084)          |
| <b>Net cash used in investing activities</b>   |        | <b>(51,526)</b>  | <b>(349,450)</b> |
| <b>Cash flows from financing activities:</b>   |        |                  |                  |
| Proceeds from finance liabilities  | 27     | 615,449          | 270,000          |
| Repayment of finance liabilities   | 27     | (586,230)        | (58,710)         |
| Payment of principal portion of lease liabilities  | 27, 28 | (8,134)          | (7,514)          |
| Dividends paid   | 16     | (71,936)         | (43,161)         |
| <b>Net cash (used in) provided by financing activities</b>   |        | <b>(50,851)</b>  | <b>160,615</b>   |
| Net increase (decrease) in cash and cash equivalents   |        | 198,659          | (97,057)         |
| Cash and cash equivalents at the beginning of year   |        | 143,180          | 240,177          |
| Effects of exchange rate changes on cash and cash equivalents  |        | 27               | 60               |
| <b>Cash and cash equivalents at the end of year</b>  |        | <b>₩ 341,866</b> | <b>₩ 143,180</b> |

The accompanying notes are an integral part of the separate financial statements.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**1. CORPORATE INFORMATION:**

LX International Corp. (the “Company”) was established on November 26, 1953, to engage in the import and export business. It changed its name to Bando Corporation in June 1956, to Lucky Industries Co., Ltd. in January 1984 and to LG International Corp. in March 1995. Its current name was adopted on July 1, 2021.

The Company listed its common stock on the Korea Exchange in January 1976 and was designated as a general trading company by the Korean Government on November 12, 1976.

The Company is currently engaged in the import and export of goods and other business activities. The Company is located at Seoul and operates 17 overseas branch offices, 3 liaison offices and 101 subsidiaries (including 70 subsidiaries) as of December 31, 2025.

LX Holdings Corp. holds 27.83% of the Company's common stock as of the end of the reporting period. The remaining equity shares are held by institutional investors, overseas investors, minority shareholders and so on.

**2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**2.1 Basis of preparation**

The Company prepares statutory financial statements in the Korean language in accordance with Korean International Financial Reporting Standards (“K-IFRSs”) enacted by the *Act on External Audit of Stock Companies*. The accompanying separate financial statements have been translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The separate financial statements have been prepared on a historical cost basis, except for debt and equity financial assets and derivative financial instruments that are measured at fair value. The carrying values of recognized assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortized cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The separate financial statements are presented in Korean won, and all values are rounded to the nearest won, except when otherwise indicated.

**2.2 Summary of significant accounting policies**

**2.2.1 Current versus non-current classification**

The Company presents assets and liabilities in the separate statements of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within 12 months after the reporting period or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.2 Cash and cash equivalents**

Cash and cash equivalents in the separate statements of financial position comprise cash at banks and on hand and cash equivalents with an original maturity of three months or less.

**2.2.3 Inventories**

Inventories are measured at the lower of cost and net realizable value. Initial cost of inventories includes acquisition of inventories, production or conversion costs and other costs incurred in bringing each product to its present location and conditions. Initial cost of inventories is determined by using the method of specific identification, moving average and gross average.

**2.2.4 Financial instruments - initial recognition and subsequent measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**2.2.4.1 Financial assets**

**2.2.4.1.1 Initial recognition and measurement**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss and transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under K-IFRS 1115.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income ("FVTOCI"), it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular-way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVTOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets at FVTOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.4.1.1 Initial recognition and measurement (cont'd)**

**Financial assets at amortized cost (debt instruments)**

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model, with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

**Financial assets at FVTOCI (debt instruments)**

The Company measures debt instruments at FVTOCI if both of the following conditions are met:

- The financial asset is held within a business model, with the objective of both holding to collect contractual cash flows and selling and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

For debt instruments at FVTOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the separate statements of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in other comprehensive income. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company's debt instruments at FVTOCI includes investments in quoted debt instruments included under other non-current financial assets.

**Financial assets designated at FVTOCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at FVTOCI when they meet the definition of equity under K-IFRS 1032 Financial Instruments: Presentation, and are not held for trading.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other non-operating income in the separate statements of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset; in which case, such gains are recorded in OCI. Equity instruments designated at FVTOCI are not subject to impairment assessment.

The Company may elect to classify irrevocably its non-listed equity investments under this category.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.4.1.2 Subsequent measurement**

**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading, unless they are designated as effective hedging instruments. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVTOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the separate statements of financial position at fair value with net changes in fair value recognized in the separate statements of profit or loss.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

**2.2.4.1.3 Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.4.2 Impairment of financial assets**

Further disclosures relating to impairment of financial assets are also provided in Note 12.

The Company recognizes an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at FVTOCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the internal credit rating of the debt instrument. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company's debt instruments at FVTOCI comprise solely of quoted bonds that are graded in the top investment category and, therefore, are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from the external independent credit rating agency both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs.

The Company considers a financial asset in default when contractual payments are a year past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**2.2.4.3 Financial liabilities**

**2.2.4.3.1 Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, less directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, borrowings, including bonds, and derivative financial liabilities.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.4.3 Financial liabilities (cont'd)**

**2.2.4.3.2 Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as described below.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by K-IFRS 1109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the separate statements of profit or loss.

**Borrowings**

Interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

**2.2.4.3.3 Derecognition of financial liabilities**

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the separate statements of profit or loss.

**2.2.4.4 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.5 Derivative financial instruments and hedge accounting**

**2.2.5.1 Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts, swap currency and interest rate swaps, to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment and
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for as follows:

**Fair value hedges**

The change in the fair value of a hedging derivative is recognized in the separate statements of profit or loss in finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the separate statements of profit or loss as finance costs.

For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through the separate statements of profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedge item is derecognized, the unamortized fair value is recognized immediately in the separate statements of profit or loss.

When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain (loss) recognized in the separate statements of profit or loss.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.5.1 Initial recognition and subsequent measurement (cont'd)**

**Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income or loss in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the separate statements of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognized as other expense and the ineffective portion relating to commodity contracts is recognized in other operating income or expenses.

The Company designates only the spot element of forward contracts as a hedging instrument. The forward element is recognized in OCI and accumulated in a separate component of equity under cost of hedging reserve.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction, as described above.

**Hedges of a net investment in a foreign operation**

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI, while any gains or losses relating to the ineffective portion are recognized in the separate statements of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the separate statements of profit or loss.

**2.2.6 Investment in subsidiaries and associates and joint ventures**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement, whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted for using the equity method.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.6 Investment in subsidiaries and associates and joint ventures (cont'd)**

Under the equity method, the investment in a subsidiary, an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the subsidiary, associate or joint venture since the acquisition date. Goodwill relating to the subsidiary, associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The separate statements of profit or loss and other comprehensive income reflect the Company's share of the results of operations of the subsidiary, associate or joint venture. Any change in other comprehensive income or loss of those investees is presented as part of the Company's other comprehensive income or loss. In addition, when there has been a change recognized directly in the equity of the subsidiary, associate or joint venture, the Company recognizes its share of any changes, when applicable, in the separate statements of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the subsidiary, associate or joint venture are eliminated to the extent of the interest in the subsidiary, associate or joint venture.

The aggregate of the Company's share of profit or loss of a subsidiary, associate and a joint venture is shown on the face of the separate statements of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the subsidiary, associate or joint venture.

The financial statements of the subsidiary, associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its subsidiary, associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiary, associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit of a subsidiary, associate and a joint venture' in the separate statements of profit or loss.

Upon loss of control, significant influence or joint control over the subsidiary, associate or joint control over the joint venture, the Company measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the subsidiary, associate or joint venture upon loss of control, significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in the separate statements of profit or loss.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.7 Non-current assets held for sale (or distribution to equity holders) and discontinued operations**

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale or distribution rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), other than the finance costs and income tax expense.

The criteria for held-for-sale classification is regarded as met only when the disposal is highly probable and the asset or disposal group is available for immediate disposal in its present condition. Actions required to complete the disposal should indicate that it is unlikely that significant changes to the disposal will be made or that the disposal will be withdrawn. Management must be committed to the disposal expected within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale or as held for distribution.

Assets and liabilities classified as held for sale or for distribution are presented separately as current items in the separate statements of financial position.

A disposal group qualifies as discontinued operation if it is:

- A component of the group that is a cash-generating unit (“CGU”) or a group of CGUs,
- Classified as held for sale or distribution or already disposed in such a way or
- A major line of business or major geographical area.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the separate statements of profit or loss and other comprehensive income.

**2.2.8 Property, plant and equipment**

Construction in progress is carried at acquisition cost, less accumulated impairment loss, and property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the separate statements of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation of property, plant and equipment is provided using the straight-line method over the estimated useful lives of the assets as follows:

|            | Useful lives | Depreciation method  |
|------------|--------------|----------------------|
| Buildings  | 40           | Straight-line method |
| Structures | 40           | Straight-line method |
| Machinery  | 5            | Straight-line method |
| Vehicles   | 5            | Straight-line method |
| Others     | 1–5          | Straight-line method |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.8 Property, plant and equipment (cont'd)**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain (loss) arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the separate statements of profit or loss when the asset is derecognized.

The Company reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. The assets' residual values, useful lives and depreciation method are reviewed at each financial year-end and adjusted prospectively, if appropriate.

**2.2.9 Leases**

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. 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.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**2.2.9.1 Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

|            | <u>Useful lives (years)</u> |
|------------|-----------------------------|
| Buildings  | 1–5                         |
| Structures | 1–5                         |

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.2.19 Impairment of non-financial assets.

**2.2.9.2 Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments), less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate (“IBR”) at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.9.2 Lease liabilities (cont'd)**

the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in interest-bearing loans and borrowings (refer to Note 27).

**2.2.9.3 Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of buildings and vehicle (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

**2.2.10 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**2.2.11 Investment properties**

Investment properties are measured initially at cost, including transaction costs and replacement costs, which satisfy asset recognition requirements when they are incurred. However, costs incurred during common maintenance activities are recognized as expenses when they occur. Subsequent to initial recognition, investment properties are stated at cost, net of accumulated depreciation and/or accumulated impairment losses.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the separate statements of profit or loss in the period of derecognition.

Transfers are made to, or from, investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying amount at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

**2.2.12 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost, less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, other than capitalized development costs, are not capitalized and expenditure is reflected in the separate statements of profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.12 Intangible assets (cont'd)**

amortization expense on intangible assets with finite lives is recognized in the separate statements of profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the separate statements of profit or loss when the asset is derecognized.

A summary of the policies applied to the Company's intangible assets is as follows:

|                                    | <u>Useful lives</u> | <u>Depreciation method</u>   |
|------------------------------------|---------------------|------------------------------|
| Goodwill                           | -                   | Test for impairment annually |
| Industrial property rights         | 5–15 years          | Straight-line method         |
| Overseas resources development (*) | Production period   | Unit of production method    |
| Others                             | 5 years             | Straight-line method         |

(\*) Natural resources exploration and development expenditures are classified as overseas resource investments. When proved reserves of oil are determined and development is sanctioned, they are depreciated on a unit of production basis. Conversely, if there is any evidence or event that implies impairment of the asset, such as suspending the exploration or development before proposing its technical feasibility and possibility of commercialization, the Company commences test on the assets for impairment. When the book value of the asset is greater than estimated recoverable amounts for the residual period, the Company recognizes it as impairment.

**2.2.13 Pension benefits and other postemployment benefits**

The Company operates a defined benefit pension plan and defined contribution pension plan. The defined benefit pension plan in Korea requires contributions to be made to separately administered funds. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, other than net interest and the return on plan assets (other than net interest), are recognized immediately in the separate statements of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment and
- The date that the Company recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under selling and administrative expenses in the separate statements of profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements and
- Net interest expense or income.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.14 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the separate statements of profit or loss, net of any reimbursement.

**2.2.15 Onerous contracts**

If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognizes any impairment loss that has occurred on assets dedicated to that contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it.

**2.2.16 Treasury shares**

Own equity instruments, which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the separate statements of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**2.2.17 Revenue from contracts with customers**

The Company is in the business of sales of goods in the resource and infrastructure sectors. The Company provides the supply of goods and export-import transactions through contracts with customers. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

**2.2.17.1 Sales of goods**

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. The Company takes into consideration whether it is principal or agency relating to the performance obligations when determining the transaction price of sales of goods.

**2.2.17.2 Principal versus agent consideration**

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

**2.2.17.3 Contract balance**

**Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional. Refer to accounting policies of financial assets in Note 2.2.4

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.17.3 Contract balance (cont'd)**

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

**2.2.18 Foreign currency translation**

The Company's separate financial statements are presented in Korean won, which is also the Company's functional currency.

**2.2.18.1 Transactions and balances**

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange at the reporting date. All differences are taken to the separate statements of profit or loss with the exception of all monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognized in other comprehensive income until the net investment is disposed, at which time, the cumulative amount is reclassified to the separate statements of profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction, and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the dates when the fair value was determined.

**2.2.18.2 Translations of foreign operation**

Assets and liabilities of foreign operation are translated into Korean won at the closing rate at the reporting date and income and expenses are translated at exchange rates prevailing at the dates of the transactions, and these exchange differences are recognized in OCI. On the disposal of a foreign operation, the cumulative amount of the exchange differences in OCI relating to that foreign operation is reclassified from equity 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 are treated as assets and liabilities of the foreign operation, and translated at the spot rate of exchange at the reporting date.

**2.2.19 Impairment of non-financial assets**

At each reporting date, the Company reviews non-financial assets to determine whether there is any indication that those assets suffered an impairment loss. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of the asset's or CGU's fair value, less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value, less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.19 Impairment of non-financial assets (cont'd)**

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the separate statements of profit or loss and other comprehensive income in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If any indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the separate statements of profit or loss, unless the asset is carried at a revalued amount; in which case, the reversal is treated as a revaluation increase.

The following criteria are also applied in assessing impairment of specific assets:

**Goodwill**

Goodwill is tested for impairment annually (at certain time) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or company of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

**Intangible assets with indefinite useful lives, other than goodwill**

For intangible assets with indefinite useful lives, the Company performs the impairment test for an individual asset or a CGU to which the asset has been allocated, annually or at any indication of impairment.

**2.2.20 Taxes**

**2.2.20.1 Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the separate statements of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.20.2 Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized, except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all, or part, of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted, or substantively enacted, at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in profit or loss.

**2.2.20.3 Sales tax**

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority; in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable, and
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the separate statements of financial position.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.2.21 Cryptocurrency**

As there is no standard applicable to K-IFRSs for cryptocurrency (e.g., “Kaia” formerly known as “klay”), the Company developed an accounting policy by applying *mutatis mutandis* to K-IFRS 1038 in accordance with the interpretation announced by the International Financial Reporting Interpretations Committee in June 2019.

**2.2.21.1 Initial recognition of cryptocurrency**

The Company recognizes cryptocurrency as an asset because it meets the definition of an asset in the *Conceptual Framework for Financial Reporting* (a resource controlled by an entity as a result of past events or transactions, and from which future economic benefits are expected to flow to the entity). The Company determines that cryptocurrency meet the definition of an intangible asset as an identifiable non-monetary asset without physical substance and records cryptocurrency as intangible assets.

**2.2.21.2 Subsequent measurement of cryptocurrency**

The Company applies the cost method to subsequent measurements of cryptocurrency by applying *mutatis mutandis* to K-IFRS 1038.

**2.2.21.3 Derecognition of cryptocurrency**

As the Company is obligated to transfer rights to cryptocurrency or pays all cash flows received under pass-through contracts to third parties without significant delay, the Company derecognizes the cryptocurrency when it transfers most of the risks and rewards arising from ownership of the cryptocurrency to others, or otherwise, when it transfers control over the cryptocurrency to others, although it does not either transfer or retain such assets.

When disposing of cryptocurrency, the difference between the cash flow received or the cash flow to be received and the book value of the assets disposed is recognized as profit or loss upon disposal, but if any obligation arising from the ownership of the cryptocurrency has not been fulfilled, it is recognized as profit or loss when the obligation is satisfied.

**2.3 New and amended standards and interpretations**

The Company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2025. The Company has not early adopted any standards, interpretations or amendments that have been issued, but are not yet effective.

**2.3.1 K-IFRS 1021 The Effects of Changes in Foreign Exchange Rates Titled Lack of Exchangeability (Amendments)**

The amendments specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.3.2 K-IFRS 1117 Insurance Contract - Disclosures Relating to Lapse Rates for Insurance Contracts with No or Low Surrender Values (Amendments)**

The amendments add a disclosure requirement for entities to disclose, where the techniques to estimate the inputs used for measuring insurance contracts differ from those prescribed under insurance-related laws or regulations and such differences are considered relevant and material to users of the financial statements, those differences and their effects on the financial statements. The amendments are effective from December 31, 2025, and applied for the first annual reporting period ending on or after the effective date. The amendments are effective through the annual reporting period ending December 31, 2029.

**2.4 Significant accounting judgments, estimates and assumptions**

The preparation of the Company's separate financial statements requires management to make judgments; estimates; and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Financial instruments risk management and policies Note 6
- Sensitivity analysis disclosures Notes 6 and 20

**2.4.1 Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the separate financial statements:

**Determining the lease term of contracts with renewal and termination options - Company as lessee**

The Company determines the lease term as the non-cancelable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

For contracts with extension options, the Company evaluates the likelihood of exercising the extension option at the lease commencement and considers significant changes in circumstances related to changes in the likelihood of exercising the option when remeasuring the lease term.

**2.4.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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.

The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments; however, may change due to market changes or circumstances arising beyond control of the Company. Such changes are reflected in the assumptions when they occur.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.4.2.1 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset is impaired. Goodwill and intangible assets with indefinite useful lives are tested when there are indications. Other non-financial asset is tested when there are indications that carrying amount is not to be collected. In assessing value in use, management estimates future cash flows from certain assets or CGUs and selects the appropriate discount rate to calculate the present value of future cash flow. Refer to Note 22 for information on the specific details of main assumptions.

**2.4.2.2 Defined benefit pension plan**

The cost of the defined benefit pension plan and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the postemployment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

**2.4.2.3 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the separate statements of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the Discounted Cash Flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs, such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

**2.4.2.4 Provision for ECLs of trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.4.2.5 Leases - Estimating the IBR**

The Company cannot readily determine the interest rate implicit in the lease; therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Company ‘would have to pay,’ which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

**2.4.2.6 Deferred tax assets**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax-planning strategies. The Company has ₩81,238 million (2023: ₩77,150 million) of tax credits carried forward, which can be used to offset future taxable income, but with time constraint. Among the total tax credits carried forward, the Company has determined not to recognize deferred tax assets on ₩53,212 million (2023: ₩51,008 million) of tax credits carried forward due to lack of probability of occurrence. Refer to Note 23 for details.

**2.4.2.7 Special tax provisions for promoting investment and collaborative cooperation**

In accordance with the *special tax provision for promoting investment and collaborative cooperation*, The Company shall pay an additional income tax calculated under the applicable tax law, if the use of corporate earnings on qualifying investments, wage increase and collaborative cooperation falls below a certain portion of its taxable income. As the Company reflects the surtax imposed due to the special tax provisions for promoting investment and collaborative cooperation when computing its income tax, the Company's income tax may change arising from changes in investment, wage increase or dividend payouts.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.5 Standards issued, but not yet effective**

Up to the date of issuance of the Company's separate financial statements, the Company has not applied the following new and revised K-IFRSs that have been issued, but are not yet effective:

**2.5.1 K-IFRS 1109 and K-IFRS 1107 Amendments to the Classification and Measurement of Financial Instruments**

**2.5.1.1 Derecognition of a financial liability settled through electronic transfer**

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognized) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

**2.5.1.2 Classification of financial assets**

**Contractual terms that are consistent with a basic lending arrangement.**

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance concerns.

**Assets with non-recourse features.**

The amendments enhance the description of the term 'non-recourse,' in particular to specify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

**Contractually linked instruments.**

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritization of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

**2.5.1.3 Disclosures**

**Investments in equity instruments designated at FVTOCI.**

The requirements in K-IFRS 1107 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period.

**Contractual terms that could change the timing or amount of contractual cash flows.**

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortized cost or FVTOCI and each class of financial liability measured at amortized cost.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.5.1.3 Disclosures (cont'd)**

The amendments are applied retrospectively for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with K-IFRS 1008, with specific exceptions.

**2.5.2 K-IFRS 1101 First-Time Adoption of Korean International Financial Reporting Standards – Hedging Accounting by a First-Time Adopter**

For consistency with the requirements in K-IFRS 1109, K-IFRS 1101:B6 were amended to refer to the ‘qualifying criteria’ for hedge accounting (instead of the ‘conditions’) and to add cross-references to K-IFRS 1109:6.4.1 to improve the understandability of K-IFRS 1101.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**2.5.3 K-IFRS 1107 Financial Instruments: Disclosures – Gain or Loss on Derecognition**

**Gain or loss on derecognition**

The amendments remove an obsolete cross-reference in K-IFRS 1107:B38 to a paragraph that had been deleted when K-IFRS 1113 was issued and aligned the wording of this paragraph with the terms used in K-IFRS 1113.

**Disclosure of deferred difference between fair value and transaction price**

The amendments update K-IFRS 1107:IG14 to make the wording of that paragraph consistent with K-IFRS 1107:28 and improve the internal consistency of the wording in the example in K-IFRS 1107:IG14.

**Introduction and credit risk disclosures**

The amendments add a statement to K-IFRS 1107:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of K-IFRS 1107. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in K-IFRS 1107:IG20B.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

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

The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with K-IFRS 1109, the lessee is required to recognize any resulting gain or loss in profit or loss.

Additionally, the amendments replace ‘their transaction price (as defined in K-IFRS 1115)’ in K-IFRS 1109:5.1.3 with ‘the amount determined by applying K-IFRS 1115.’

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**2.5.5 K-IFRS 1110 Consolidated Financial Statements – Determination of ‘De Facto Agent’**

The amendments update K-IFRS 1110:B74 to use less conclusive language and to clarify that the relationship described in K-IFRS 1110:B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**2.5.6 K-IFRS 1007 Statement of Cash Flows: Cost Method**

The amendment replaces the term ‘cost method’ with ‘at cost’ in K-IFRS 1007.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted.

**2.5.7 K-IFRS 1109 and IFRS 1107—Contracts Referencing Nature-Dependent Electricity**

**2.5.7.1 Amendments to K-IFRS 1109 Financial Instruments**

The following requirements of K-IFRS 1109 are affected by the amendments:

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

**2.5.7.2 Amendments to K-IFRS 1107 Financial Instruments: Disclosures**

K-IFRS 1107 was amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after January 1, 2026, with earlier application permitted. The amendments to the own-use exemption are required to be applied retrospectively in accordance with K-IFRS 1008 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

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

K-IFRS 1118 replaces K-IFRS 1001, carrying forward many of the requirements in K-IFRS 1001 unchanged and complementing them with new requirements. In addition, some paragraphs from K-IFRS 1001 have been moved to K-IFRS 1008 and K-IFRS 1107. Furthermore, minor amendments have been made to K-IFRS 1007 and K-IFRS 1033 Earnings per Share.

K-IFRS 1118 introduces new requirements to:

- present specified categories and defined subtotals in the statements of profit or loss
- provide disclosures on management-defined performance measures in the notes to financial statements
- improve aggregation and disaggregation.

An entity is required to apply K-IFRS 1118 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to K-IFRS 1007 and K-IFRS 1033, as well as the revised K-IFRS 1008 and K-IFRS 1107, become effective when an entity applies K-IFRS 1118. K-IFRS 1118 requires retrospective application with specific transition provisions.

**3. SEGMENT INFORMATION:**

For management purposes, the Company is organized into business units based on its products and services and has three reportable segments as follows:

| Segment              | Principal activity  |
|----------------------|---|
| Resource             | Mineral business, palm business and petroleum assets task force team              |
| Trading/New growth   | Resource trading, material trading, health care, IT trading, Green and new growth |
| Collectively grouped | Common group management   |

**3.1 Segment sales and operating income**

Details of segment results for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                    | 2025        |                            | 2024        |                            |
|--------------------|-------------|----------------------------|-------------|----------------------------|
|                    | Sales       | Operating income<br>(loss) | Sales       | Operating income<br>(loss) |
| Resource           | ₩ -         | ₩ (12,474)                 | ₩ 2,036     | ₩ (13,495)                 |
| Trading/New growth | 3,510,585   | (17,663)                   | 3,647,806   | (4,495)                    |
|                    | ₩ 3,510,585 | ₩ (30,138)                 | ₩ 3,649,842 | ₩ (17,989)                 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**3.2 Segment assets and liabilities**

Details of assets and liabilities of operating segments as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                           | 2025        |             | 2024        |             |
|---------------------------|-------------|-------------|-------------|-------------|
|                           | Assets      | Assets      | Assets      | Liabilities |
| Resource                  | ₩ 1,120,929 | ₩ 126,156   | ₩ 1,315,711 | ₩ 162,519   |
| Trading/New growth        | 1,594,260   | 909,994     | 1,722,816   | 884,580     |
| Collectively grouped (*1) | 2,013,143   | 877,323     | 1,633,836   | 918,746     |
|                           | ₩ 4,728,331 | ₩ 1,913,473 | ₩ 4,672,362 | ₩ 1,965,844 |

(\*1) Assets and liabilities that individually do not have a material effect to a particular operating segment have been collectively grouped. These include cash and cash equivalents; investment assets; property, plant and equipment and intangible assets.

**3.3 Sales by geographic region**

|         | 2025 |           | 2024 |           |
|---------|------|-----------|------|-----------|
| Korea   | ₩    | 1,088,289 | ₩    | 945,901   |
| America |      | 583,131   |      | 397,839   |
| Europe  |      | 404       |      | -         |
| Asia    |      | 1,835,926 |      | 2,252,928 |
| Others  |      | 2,836     |      | 53,173    |
|         | ₩    | 3,510,585 | ₩    | 3,649,842 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**4. CLASSIFICATION OF FINANCIAL INSTRUMENTS:**

**4.1 Financial instruments by category**

**4.1.1 Financial assets**

Financial assets by category as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                  | December 31, 2025  |                               |  |  |                  |
|----------------------------------|--|-------------------------------|--|--|------------------|
|                                  | Financial assets<br>at fair value<br>through<br>profit or loss | Financial assets<br>at FVTOCI | Financial assets<br>measured at<br>amortized<br>cost | Hedge<br>accounting-<br>related assets | Total            |
| Cash and cash equivalents        | ₩ -  | ₩ -                           | ₩ 341,866  | ₩ -                                    | ₩ 341,866        |
| Short-term financial instruments | -  | -                             | 21,196   | -                                      | 21,196           |
| Long-term equity instruments     | 12,581   | 50,990                        | -  | -                                      | 63,571           |
| Trade accounts receivable        | -  | 15,115                        | 391,482  | -                                      | 406,597          |
| Other accounts receivable        | 1,972  | -                             | 17,268   | 880                                    | 20,120           |
| Long-term loans                  | -  | -                             | 10,325   | -                                      | 10,325           |
| Other financial assets           | -  | -                             | 8,822  | -                                      | 8,822            |
|                                  | <u>₩ 14,553</u>  | <u>₩ 66,105</u>               | <u>₩ 790,959</u>                                     | <u>₩ 880</u>                           | <u>₩ 872,497</u> |

|                                  | December 31, 2024  |                               |  |  |                  |
|----------------------------------|--|-------------------------------|--|--|------------------|
|                                  | Financial assets<br>at fair value<br>through<br>profit or loss | Financial assets<br>at FVTOCI | Financial assets<br>measured at<br>amortized<br>cost | Hedge<br>accounting-<br>related assets | Total            |
| Cash and cash equivalents        | ₩ -  | ₩ -                           | ₩ 143,180  | ₩ -                                    | ₩ 143,180        |
| Short-term financial instruments | -  | -                             | 21,470   | -                                      | 21,470           |
| Long-term equity instruments     | 10,502   | 83,885                        | -  | -                                      | 94,387           |
| Trade accounts receivable        | -  | 9,763                         | 385,453  | -                                      | 395,216          |
| Other accounts receivable        | 2,031  | -                             | 21,629   | -                                      | 23,660           |
| Long-term loans                  | -  | -                             | 10,290   | -                                      | 10,290           |
| Other financial assets           | 1,700  | -                             | 5,629  | -                                      | 7,329            |
|                                  | <u>₩ 14,233</u>  | <u>₩ 93,648</u>               | <u>₩ 587,651</u>                                     | <u>₩ -</u>                             | <u>₩ 695,532</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**4.1.2 Financial liabilities**

Financial liabilities by category as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | December 31, 2025  |  |                    |
|--|--|--|--------------------|
|  | Financial liabilities at<br>fair value through<br>profit or loss | Financial liabilities<br>measured at<br>amortized cost | Total              |
| Trade accounts payable                                       | ₩ -  | ₩ 380,908  | ₩ 380,908          |
| Other accounts payable (*1)                                  | 108  | 49,427   | 49,535             |
| Borrowings   | -  | 472,384  | 472,384            |
| Bonds payable  | -  | 638,910  | 638,910            |
| Current portion of bonds payable<br>and long-term borrowings | -  | 349,964  | 349,964            |
| Lease liabilities  | -  | 4,191  | 4,191              |
| Other financial liabilities                                  | -  | 11,938   | 11,938             |
|  | <u>₩ 108</u>   | <u>₩ 1,907,722</u>                                     | <u>₩ 1,907,830</u> |

|  | December 31, 2024  |  |                    |
|--|--|--|--------------------|
|  | Financial liabilities at<br>fair value through<br>profit or loss | Financial liabilities<br>measured at<br>amortized cost | Total              |
| Trade accounts payable                                       | ₩ -  | ₩ 316,884  | ₩ 316,884          |
| Other accounts payable (*1)                                  | 868  | 88,816   | 89,684             |
| Borrowings   | -  | 665,014  | 665,014            |
| Bonds payable  | -  | 459,259  | 459,259            |
| Current portion of bonds payable<br>and long-term borrowings | -  | 307,537  | 307,537            |
| Lease liabilities  | -  | 5,748  | 5,748              |
| Other financial liabilities                                  | -  | 21,833   | 21,833             |
|  | <u>₩ 868</u>   | <u>₩ 1,865,091</u>                                     | <u>₩ 1,865,959</u> |

(\*1) Other accounts payable includes amounts related to employee compensation that is not classified as financial liabilities.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**4.2 Gains and losses on financial instruments**

**4.2.1 Gains and losses on financial assets**

Gains and losses on financial assets by category for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025   |                               |  |  |                   |
|--|--|-------------------------------|--|--|-------------------|
|  | Financial assets<br>at fair value<br>through<br>profit or loss | Financial assets<br>at FVTOCI | Financial assets<br>measured at<br>amortized<br>cost | Hedge<br>accounting-<br>related assets | Total             |
| <b>Profit or loss:</b>   |  |                               |  |  |                   |
| Interest income  | ₩ -  | ₩ -                           | ₩ 11,938   | ₩ -                                    | ₩ 11,938          |
| Dividend income  | -  | 3,746                         | -  | -                                      | 3,746             |
| Gain on foreign<br>currency transactions   | -  | -                             | 7,945  | -                                      | 7,945             |
| Loss on foreign currency<br>translation  | -  | -                             | (8,151)  | -                                      | (8,151)           |
| Gain on currency forwards  | 19,211   | -                             | -  | -                                      | 19,211            |
| Gain on currency swaps   | -  | -                             | -  | 317                                    | 317               |
| Gain on share option   | 633  | -                             | -  | -                                      | 633               |
| Bad debt expenses  | -  | -                             | 120  | -                                      | 120               |
| Other bad debt expenses  | -  | -                             | (4,720)  | -                                      | (4,720)           |
| Loss on disposal of<br>receivables   | -  | (721)                         | -  | -                                      | (721)             |
| Gain on valuation of<br>financial assets<br>designated at fair value<br>through profit or loss | 2,079  | -                             | -  | -                                      | 2,079             |
|  | <u>₩ 21,923</u>  | <u>₩ 3,025</u>                | <u>₩ 7,132</u>                                       | <u>₩ 317</u>                           | <u>₩ 32,397</u>   |
| <b>Other comprehensive income (*1):</b>  |  |                               |  |  |                   |
| Loss on valuation of<br>financial assets<br>designated at FVTOCI                               | -  | (32,894)                      | -  | -                                      | (32,894)          |
| Gain on valuation of<br>derivatives for cash flow<br>hedges                                    | -  | -                             | -  | 563                                    | 563               |
|  | <u>₩ -</u>   | <u>₩ (32,894)</u>             | <u>₩ -</u>   | <u>₩ 563</u>                           | <u>₩ (32,331)</u> |

(\*1) Other comprehensive income is the amount before income tax effect.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**4.2.1 Gains and losses on financial assets (cont'd)**

|  | 2024   |                               |  |  | Total      |
|--|--|-------------------------------|--|--|------------|
|  | Financial assets<br>at fair value<br>through<br>profit or loss | Financial assets<br>at FVTOCI | Financial assets<br>measured at<br>amortized<br>cost | Hedge<br>accounting-<br>related assets |            |
| <b>Profit or loss:</b>   |  |                               |  |  |            |
| Interest income  | ₩ -  | ₩ -                           | ₩ 14,898   | ₩ -                                    | ₩ 14,898   |
| Dividend income  | -  | 10,076                        | -  | -                                      | 10,076     |
| Gain on foreign<br>currency transactions                         | -  | -                             | 50,300   | -                                      | 50,300     |
| Gain on foreign currency<br>translation                          | -  | -                             | 20,102   | -                                      | 20,102     |
| Gain on currency forwards  | 15,533   | -                             | -  | -                                      | 15,533     |
| Gain on share option   | 1,700  | -                             | -  | -                                      | 1,700      |
| Bad debt expenses  | -  | -                             | (660)  | -                                      | (660)      |
| Other bad debt expenses  | -  | -                             | (11,763)   | -                                      | (11,763)   |
| Loss on disposal of<br>receivables                               | -  | (1,235)                       | -  | -                                      | (1,235)    |
|  | ₩ 17,233   | ₩ 8,841                       | ₩ 72,877   | ₩ -                                    | ₩ 98,951   |
| <b>Other comprehensive income (*1):</b>                          |  |                               |  |  |            |
| Gain on valuation of<br>financial assets<br>designated at FVTOCI | -  | (28,310)                      | -  | -                                      | (28,310)   |
|  | ₩ -  | ₩ (28,310)                    | ₩ -  | ₩ -                                    | ₩ (28,310) |

(\*1) Other comprehensive income is the amount before income tax effect.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**4.2.2 Gains and losses on financial liabilities**

Gain and loss on financial liabilities by category for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                       | 2025   |  |                   |
|---------------------------------------|--|--|-------------------|
|                                       | Financial liabilities at<br>fair value through<br>profit or loss | Financial liabilities<br>measured at<br>amortized cost | Total             |
| <b>Profit or loss:</b>                |  |  |                   |
| Interest expenses                     | ₩ -  | ₩ (55,957)   | ₩ (55,957)        |
| Loss on foreign currency transactions | -  | (4,777)  | (4,777)           |
| Gain on foreign currency translation  | -  | 8,575  | 8,575             |
| Loss on currency forwards             | (22,110)   | -  | (22,110)          |
| Gain on exemption from debt           | -  | 4,379  | 4,379             |
|                                       | <u>₩ (22,110)</u>  | <u>₩ (47,780)</u>                                      | <u>₩ (69,890)</u> |

|                                       | 2024   |  |                    |
|---------------------------------------|--|--|--------------------|
|                                       | Financial liabilities at<br>fair value through<br>profit or loss | Financial liabilities<br>measured at<br>amortized cost | Total              |
| <b>Profit or loss:</b>                |  |  |                    |
| Interest expenses                     | ₩ -  | ₩ (59,516)   | ₩ (59,516)         |
| Loss on foreign currency transactions | -  | (34,763)   | (34,763)           |
| Loss on foreign currency translation  | -  | (17,534)   | (17,534)           |
| Loss on currency forwards             | (34,374)   | -  | (34,374)           |
|                                       | <u>₩ (34,374)</u>  | <u>₩ (111,813)</u>                                     | <u>₩ (146,187)</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**5. CASH AND CASH EQUIVALENTS:**

Details of cash and cash equivalents as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                     | December 31, 2025 | December 31, 2024 |
|---------------------|-------------------|-------------------|
| Cash on hand        | ₩ 27              | ₩ 20              |
| Short-term deposits | 341,839           | 143,160           |
|                     | <u>₩ 341,866</u>  | <u>₩ 143,180</u>  |

Outstanding balances on restricted deposits included in financial instruments as of December 31, 2025, amounted to ₩20,010 million (₩20,010 million in 2024).

**6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has trade receivables, loans and other receivables and cash and short-term deposits that derive directly from its operations. The Company also holds financial assets at fair value through profit or loss and financial assets at FVTOCI and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk.

The board of directors reviews and agrees policies for managing each of these risks that are summarized below. It is the Company's policy that no trading in derivatives for speculative purposes is to be undertaken.

**6.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: interest rate; currency; commodity price; and other price risk, such as equity. Financial instruments affected by market risk include loans and borrowings, deposits, long-term equity instruments and derivatives.

The sensitivity analysis in the following sections relate to the financial position as of December 31, 2025 and 2024.

Sensitivity analysis was conducted on the assumption that the net amount of liabilities, the composition ratio of fixed and variable liabilities and the composition of foreign currency financial instruments were all identical and designated as hedging.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all held constant and on the basis of the hedge designations.

The analysis excludes the impact of movements in market variables on the carrying value of pension and other postretirement obligations, provisions and on the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- the separate statements of financial position sensitivity relates to derivatives, financial assets at fair value through profit or loss and financial assets at FVTOCI;
- the sensitivity of the relevant separate statements of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at December 31, 2025 and 2024, including the effect of hedge accounting; and
- the sensitivity of equity is calculated by taking into account the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at December 31, 2025, associated with changes in underlying assets.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.2 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is exposed to interest rate risk due to its long-term debt. The Company is exposed to cash flow interest rate risk due to its borrowings with floating interest rates and fair value interest rate risk due to its borrowings with fixed interest rates.

The Company's position with regard to interest rate risk exposure is mainly related to debt obligations, such as bonds, loans and interest-bearing deposits and investments. The Company has a risk management program in place to monitor and actively manage such risks.

The Company manages its interest rate risk by establishing regional and global working capital sharing systems, regularly monitoring market interest rates and preparing action plans.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows. There is only an immaterial impact on the Company's equity (Korean won in millions):

|                  | 2025           |                | 2024           |                |
|------------------|----------------|----------------|----------------|----------------|
|                  | Increase by 1% | Decrease by 1% | Increase by 1% | Decrease by 1% |
| Interest income  | ₩ 292          | ₩ (292)        | ₩ 304          | ₩ (304)        |
| Interest expense | (6,654)        | 6,654          | (6,162)        | 6,162          |
| Net effect       | ₩ (6,362)      | ₩ 6,362        | ₩ (5,858)      | ₩ 5,858        |

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

**Interest rate benchmark reform**

The following table presents the fair values and weighted average maturities of derivative financial instruments in hedging relationships affected by the interest rate benchmark reform, as financial instruments transition to risk-free reference rates (RFRs), analyzed by interest rate benchmark. The derivative financial instruments designated as hedging instruments provide a close approximation of the extent of risk exposures managed by the Bank through those hedging relationships. (Korean won in millions):

| Sortation           | 2025                 |                |                         |
|---------------------|----------------------|----------------|-------------------------|
|                     | Interest rate        | Nominal amount | Average maturity (Year) |
| Interest rate swaps | USD SOFR CMP +1.6% ₩ | 880            | 2.8                     |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.3 Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense are denominated in a different currency from the Company's functional currency) and the Company's net investments in foreign operations.

The Company is exposed to foreign exchange risk arising from international operations and transactions with different foreign currencies. Most widely used foreign currencies are the USD, EUR, JPY and others.

The Company manages its foreign currency risk by entering into currency forward contracts. Exposure to currency translation risk is largely dependent on the accounting standards of the local jurisdiction and the translation methods required by such jurisdiction.

**Foreign currency sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rate. With all other variables held constant, the Company's profit before tax is affected as follows (due to changes in the fair value of monetary assets and liabilities, including undesignated foreign currency derivatives) (Korean won in millions):

|  | 2025            |                 | 2024            |                 |
|--|-----------------|-----------------|-----------------|-----------------|
|  | Increase by 10% | Decrease by 10% | Increase by 10% | Decrease by 10% |
| Gain (loss) on foreign currency translation                  | ₩ 4,191         | ₩ (4,191)       | ₩ 9,106         | ₩ (9,106)       |
| Gain (loss) on valuation of derivative financial instruments | (6,432)         | 6,432           | (6,707)         | 6,707           |
| Net effect (*1)  | ₩ (2,241)       | ₩ 2,241         | ₩ 2,399         | ₩ (2,399)       |

(\*1) The Company manages its exchange rate risk arising from assets and liabilities denominated in foreign currencies through derivative contracts.

**6.4 Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables and loan notes) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company applies a simplified method of recognizing lifetime ECLs as loss provisions for trade receivables. The provision setting rate table set for accounts receivable as of the end of the current term is as follows (Korean won in millions):

|                    | Account receivable accrual date |               |                |                   |                   | Total     |
|--------------------|---------------------------------|---------------|----------------|-------------------|-------------------|-----------|
|                    | Less than 3 months              | 3 to 6 months | 6 to 12 months | 1 year to 3 years | More than 3 years |           |
| Expected loss rate | 0.38%                           | -             | -              | 95.02%            | 59.31%            | -         |
| Book value         | ₩ 407,305                       | ₩ -           | ₩ -            | ₩ 502             | ₩ 2,008           | ₩ 409,815 |
| Provision          | 1,550                           | -             | -              | 477               | 1,191             | 3,218     |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.4 Credit risk (cont'd)**

The book value of financial assets represents maximum exposure to credit risk. The maximum exposures to credit risk as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                  | 2025 |         | 2024 |         |
|----------------------------------|------|---------|------|---------|
| Cash equivalents (*1)            | ₩    | 341,839 | ₩    | 143,160 |
| Short-term financial instruments |      | 21,196  |      | 21,470  |
| Trade accounts receivable        |      | 406,597 |      | 395,215 |
| Other accounts receivable (*2)   |      | 17,268  |      | 21,629  |
| Long-term loans                  |      | 10,325  |      | 10,290  |
| Other financial assets           |      | 8,822   |      | 5,629   |
|                                  | ₩    | 806,047 | ₩    | 597,393 |

(\*1) Excludes cash on hand

(\*2) Excludes other receivables in relation to derivatives

**6.5 Maturity profile of financial assets**

The table below summarizes the maturity profile of the Company's financial assets based on contractual undiscounted payments (Korean won in millions):

|                                  | 2025             |                   |              |                   |     | Total     |
|----------------------------------|------------------|-------------------|--------------|-------------------|-----|-----------|
|                                  | Less than 1 year | 1 year to 3 years | 3 to 5 years | More than 5 years |     |           |
| Cash and cash equivalents        | ₩ 341,866        | ₩ -               | ₩ -          | ₩ -               | ₩ - | ₩ 341,866 |
| Short-term financial instruments | 21,196           | -                 | -            | -                 | -   | 21,196    |
| Trade accounts receivable        | 406,597          | -                 | -            | -                 | -   | 406,597   |
| Other accounts receivable        | 20,120           | -                 | -            | -                 | -   | 20,120    |
| Long-term loans                  | -                | 4,585             | 2,631        | 3,109             | -   | 10,325    |
| Other financial assets           | 4,571            | 955               | 292          | 3,004             | -   | 8,822     |
|                                  | ₩ 794,350        | ₩ 5,540           | ₩ 2,923      | ₩ 6,113           | ₩ - | ₩ 808,926 |

|                                  | 2024             |                   |              |                   |     | Total     |
|----------------------------------|------------------|-------------------|--------------|-------------------|-----|-----------|
|                                  | Less than 1 year | 1 year to 3 years | 3 to 5 years | More than 5 years |     |           |
| Cash and cash equivalents        | ₩ 143,180        | ₩ -               | ₩ -          | ₩ -               | ₩ - | ₩ 143,180 |
| Short-term financial instruments | 21,470           | -                 | -            | -                 | -   | 21,470    |
| Trade accounts receivable        | 395,215          | -                 | -            | -                 | -   | 395,215   |
| Other accounts receivable        | 23,660           | -                 | -            | -                 | -   | 23,660    |
| Long-term loans                  | -                | 4,655             | 2,450        | 3,185             | -   | 10,290    |
| Other financial assets           | 2,901            | 2,558             | 222          | 1,648             | -   | 7,329     |
|                                  | ₩ 586,426        | ₩ 7,213           | ₩ 2,672      | ₩ 4,833           | ₩ - | ₩ 601,144 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.6 Liquidity risk**

Liquidity risk refers to the risk that the Company may default on the contractual obligations that become due. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments (Korean won in millions):

|                                   | 2025               |                   |                  |                   |                    | Total |
|-----------------------------------|--------------------|-------------------|------------------|-------------------|--------------------|-------|
|                                   | Less than 1 year   | 1 year to 3 years | 3 to 5 years     | More than 5 years |                    |       |
| Trade accounts payable            | ₩ 380,908          | ₩ -               | ₩ -              | ₩ -               | ₩ 380,908          |       |
| Other accounts payable            | 49,535             | -                 | -                | -                 | 49,535             |       |
| Borrowings                        | 230,000            | 375,906           | 71,250           | 25,229            | 702,385            |       |
| Bonds payable                     | 120,000            | 480,000           | 130,000          | 30,000            | 760,000            |       |
| Lease liabilities                 | 2,828              | 1,390             | 110              | -                 | 4,328              |       |
| Other financial liabilities       | 11,938             | -                 | -                | -                 | 11,938             |       |
| Financial guarantee contract (*1) | 108,968            | -                 | -                | -                 | 108,968            |       |
|                                   | <u>₩ 904,177</u>   | <u>₩ 857,296</u>  | <u>₩ 201,360</u> | <u>₩ 55,229</u>   | <u>₩ 2,018,062</u> |       |
|                                   | 2024               |                   |                  |                   |                    | Total |
|                                   | Less than 1 year   | 1 year to 3 years | 3 to 5 years     | More than 5 years |                    |       |
| Trade accounts payable            | ₩ 316,884          | ₩ -               | ₩ -              | ₩ -               | ₩ 316,884          |       |
| Other accounts payable            | 89,684             | -                 | -                | -                 | 89,684             |       |
| Borrowings                        | 267,564            | 315,014           | 126,250          | 73,750            | 782,578            |       |
| Bonds payable                     | 190,000            | 230,000           | 150,000          | 80,000            | 650,000            |       |
| Lease liabilities                 | 3,199              | 2,758             | 39               | -                 | 5,996              |       |
| Other financial liabilities       | 21,833             | -                 | -                | -                 | 21,833             |       |
| Financial guarantee contract (*1) | 165,557            | -                 | -                | -                 | 165,557            |       |
|                                   | <u>₩ 1,054,721</u> | <u>₩ 547,772</u>  | <u>₩ 276,289</u> | <u>₩ 153,750</u>  | <u>₩ 2,032,532</u> |       |

(\*1) As of December 31, 2025, the total limit of the current financial guarantee contracts is ₩1,705,249 million (2024: ₩1,769,854 million) (see Note 25).

The table above represents the maturities of the financial liabilities as of each reporting date.

**6.7 Capital management**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize its shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend distributions, return capital or issue new shares.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.7 Capital management (cont'd)**

The Company's debt ratio is calculated by dividing total liabilities by total equity, and net borrowing is calculated by subtracting cash and cash equivalents from the sum of borrowings, lease liabilities and debentures. Details of gearing ratios as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                 | 2025 |           | 2024 |           |
|---------------------------------|------|-----------|------|-----------|
| Total liabilities (A)           | ₩    | 1,913,473 | ₩    | 1,965,844 |
| Total equity (B)                |      | 2,814,858 |      | 2,706,518 |
| Cash and cash equivalents (C)   |      | 341,866   |      | 143,180   |
| Total borrowings (D)            |      | 1,465,449 |      | 1,437,558 |
| Debt ratio (A / B)              |      | 67.98%    |      | 72.63%    |
| Net borrowing ratio ((D-C) / B) |      | 39.92%    |      | 47.82%    |

**6.8 Valuation of derivative financial instruments**

Valuation gains and losses arising from derivative financial instruments included in other accounts receivable and payable as of December 31, 2025 and 2024, are presented as follows (Korean won in millions):

|                         | 2025              |                   |                                 |
|-------------------------|-------------------|-------------------|---------------------------------|
|                         | Gain on valuation | Loss on valuation | Other comprehensive income (*1) |
| Currency forwards       | ₩ 1,972           | ₩ 108             | ₩ -                             |
| Currency/Interest swaps | 317               | -                 | 563                             |
| Equity options (*2)     | -                 | -                 | -                               |
|                         | ₩ 2,289           | ₩ 108             | ₩ 563                           |

|                     | 2024              |                   |                            |
|---------------------|-------------------|-------------------|----------------------------|
|                     | Gain on valuation | Loss on valuation | Other comprehensive income |
| Currency forwards   | ₩ 2,032           | ₩ 868             | ₩ -                        |
| Equity options (*2) | 1,700             | -                 | -                          |
|                     | ₩ 3,732           | ₩ 868             | ₩ -                        |

(\*1) Other comprehensive income is stated before tax effects.

(\*2) This is a call option purchase contract for shares of BSG Partners Co., Ltd.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**6.8.1 Currency forwards**

As of December 31, 2025 and 2024, gains and losses on valuation of unsettled currency forward contracts are as follows (Korean won in millions and other currencies in thousands):

| December 31, 2025 |               |               |                |                          |                   |                   |
|-------------------|---------------|---------------|----------------|--------------------------|-------------------|-------------------|
| Currency-buy      | Buying amount | Currency-sell | Selling amount | Contracted exchange rate | Gain on valuation | Loss on valuation |
| CNY               | 3,824         | KRW           | 802            | 206.50–210.17            | ₩ -               | ₩ 18              |
| KRW               | 74,471        | USD           | 50,541         | 1,467.20–1,473.55        | 1,969             | -                 |
| KRW               | 142           | CNY           | 677            | 209.35–209.39            | 3                 | -                 |
| USD               | 5,301         | KRW           | 7,634          | 1,431.20–1,467.30        | -                 | 90                |
|                   |               |               |                |                          | ₩ 1,972           | ₩ 108             |

| December 31, 2024 |               |               |                |                          |                   |                   |
|-------------------|---------------|---------------|----------------|--------------------------|-------------------|-------------------|
| Currency-buy      | Buying amount | Currency-sell | Selling amount | Contracted exchange rate | Gain on valuation | Loss on valuation |
| CNY               | 5,036         | KRW           | 977            | 193.78–201.45            | ₩ 36              | ₩ -               |
| KRW               | 112,319       | USD           | 77,029         | 1,338.60–1,464.70        | -                 | 857               |
| USD               | 30,715        | KRW           | 42,473         | 1,371.90–1,477.00        | 1,996             | 11                |
|                   |               |               |                |                          | ₩ 2,032           | ₩ 868             |

**6.8.2 Currency and Interest rate swaps**

| 2025                   |               |                |                          |                          |                       |                           |                       |                                   |
|------------------------|---------------|----------------|--------------------------|--------------------------|-----------------------|---------------------------|-----------------------|-----------------------------------|
| Contracted party       | Buying amount | Selling amount | Contracted exchange rate | Receivable interest rate | Payment interest rate | Contracted term           | Valuation gain (loss) | Other comprehensive income (loss) |
| Korea Development Bank | KRW 31,251    | USD 22,000     | 1420.5                   | USD SOFR<br>CMP + 1.6%   | 3.69%                 | 2025.10.16~<br>2028.10.15 | ₩317                  | ₩563                              |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**7. INVENTORIES:**

Details of inventories as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                      | December 31, 2025   |                     |                     |
|----------------------|---------------------|---------------------|---------------------|
|                      | Valuation allowance | Valuation allowance | Valuation allowance |
| Merchandise          | ₩ 56,330            | ₩ (2,348)           | ₩ 53,982            |
| Materials in transit | 28,596              | -                   | 28,596              |
|                      | ₩ 84,926            | ₩ (2,348)           | ₩ 82,578            |

|                      | December 31, 2024 |                     |            |
|----------------------|-------------------|---------------------|------------|
|                      | Acquisition cost  | Valuation allowance | Book value |
| Merchandise          | ₩ 82,503          | ₩ (2,118)           | ₩ 80,385   |
| Materials in transit | 19,976            | -                   | 19,976     |
|                      | ₩ 102,479         | ₩ (2,118)           | ₩ 100,361  |

For the year ended December 31, 2025, the Company recognized ₩230 million (₩2,118 million in 2024) as a loss on valuation of inventories carried at net realizable value. This was recognized in cost of sales.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**8. INVESTMENT ASSETS:**

**8.1 Investment assets**

Details of investment assets as of December 31, 2025 and 2024, are as follows (Korean won in millions):

| Investment assets  | 2025 |        | 2024 |         |
|--|------|--------|------|---------|
| Long-term equity instruments:                                    |      |        |      |         |
| Financial assets designated at fair value through profit or loss | ₩    | 12,581 | ₩    | 10,502  |
| Financial assets designated at FVTOCI                            |      | 50,990 |      | 83,885  |
| Long-term loans receivable                                       |      | 10,325 |      | 10,290  |
|  | ₩    | 73,896 | ₩    | 104,677 |

**8.2 Long-term equity instruments**

As of December 31, 2025, details of long-term equity instruments are as follows (Korean won in millions):

|   | Number of shares | Equity ownership (%) | Acquisition cost |         | Book value |        |
|---|------------------|----------------------|------------------|---------|------------|--------|
| <b>Financial assets designated at fair value through profit or loss</b> |                  |                      |                  |         |            |        |
| VL Future Environment Industry Fund                                     | -                | 14.16                | ₩                | 5,000   | ₩          | 3,753  |
| Pablo Air Co., Ltd.   | 2,407            | 3.48                 |                  | 2,499   |            | 5,825  |
| Futureplay Co.  | 314,600          | 2.62                 |                  | 3,000   |            | 3,003  |
|   |                  |                      |                  | 10,499  |            | 12,581 |
| <b>Financial assets designated at FVTOCI (*1)</b>                       |                  |                      |                  |         |            |        |
| Korea Ras Laffan LNG Co., Ltd. (Qatar LNG project)                      | 1,558,666        | 5.60                 |                  | 2,410   |            | 6,702  |
| Vietnam Korea Exchange Ltd  | -                | 10.00                |                  | 322     |            | 322    |
| Oilhub Korea Yeosu Co., Ltd.  | 131,000          | 5.00                 |                  | 7,205   |            | 12,801 |
| GS E&R Co., Ltd.  | 1,654,445        | 9.52                 |                  | 95,585  |            | 30,599 |
| Tianjin LG Bohai Chemical Co., Ltd.                                     | -                | 10.00                |                  | 11,737  |            | -      |
| Cobalt blue holdings Ltd.   | 7,093,959        | 1.22                 |                  | 6,467   |            | 566    |
|   |                  |                      |                  | 123,726 |            | 50,990 |
|   |                  |                      | ₩                | 134,225 | ₩          | 63,571 |

(\*1) Financial assets measured at FVTOCI include investments in shares of non-listed companies held as non-controlling interests. As the Company holds these investments for the purpose of business strategy, fair value changes are presented as other comprehensive income and the Company irrevocably elected to classify as financial asset at FVTOCI.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**8.2 Long-term equity instruments (cont'd)**

Changes in the net book value of long-term equity instruments as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | Equity ownership<br>(%) | 2025      |                           | Valuation  | December 31 |
|---|-------------------------|-----------|---------------------------|------------|-------------|
|   |                         | January 1 | Acquisition<br>(disposal) |            |             |
| <b>Financial assets<br/>designated at<br/>fair value through<br/>profit or loss</b> |                         |           |                           |            |             |
| VL Future<br>Environment<br>Industry Fund   | 14.16                   | ₩ 5,000   | ₩ -                       | ₩ (1,247)  | ₩ 3,753     |
| Pablo Air Co., Ltd.   | 3.48                    | 2,499     | -                         | 3,326      | 5,825       |
| Futureplay Co.  | 2.62                    | 3,003     | -                         | -          | 3,003       |
|   |                         | 10,502    | -                         | 2,079      | 12,581      |
| <b>Financial assets<br/>designated at<br/>FVTOCI</b>                                |                         |           |                           |            |             |
| Korea Ras Laffan<br>LNG Co., Ltd.<br>(Qatar LNG<br>project)                         | 5.60                    | 18,485    | -                         | (11,783)   | 6,702       |
| Vietnam Korea<br>Exchange Ltd.  | 10.00                   | 322       | -                         | -          | 322         |
| Oilhub Korea Yeosu<br>Co., Ltd.   | 5.00                    | 9,091     | -                         | 3,710      | 12,801      |
| GS E&R Co., Ltd.  | 9.52                    | 45,520    | -                         | (14,921)   | 30,599      |
| Tianjin LG Bohai<br>Chemical Co., Ltd.  | 10.00                   | 10,026    | -                         | (10,026)   | -           |
| Cobalt blue holdings<br>Ltd.  | 1.22                    | 441       | -                         | 125        | 566         |
|   |                         | 83,885    | -                         | (32,895)   | 50,990      |
|   |                         | ₩ 94,387  | ₩ -                       | ₩ (30,816) | ₩ 63,571    |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**8.2 Long-term equity instruments (cont'd)**

|  | Equity ownership (%) | 2024      |                        | Valuation  | December 31 |
|--|----------------------|-----------|------------------------|------------|-------------|
|  |                      | January 1 | Acquisition (disposal) |            |             |
| <b>Financial assets at fair value through profit or loss</b> |                      |           |                        |            |             |
| VL Future Environment Industry Fund                          | 14.16                | ₩ 5,000   | ₩ -                    | ₩ -        | ₩ 5,000     |
| Pablo Air Co., Ltd.  | 4.65                 | 2,499     | -                      | -          | 2,499       |
| Futureplay Co.   | 2.62                 | 3,003     | -                      | -          | 3,003       |
|  |                      | 10,502    | -                      | -          | 10,502      |
| <b>Financial assets at FVTOCI</b>                            |                      |           |                        |            |             |
| Korea Ras Laffan LNG Co., Ltd. (Qatar LNG project)           | 5.60                 | 20,089    | -                      | (1,604)    | 18,485      |
| Vietnam Korea Exchange Ltd.                                  | 10.00                | 322       | -                      | -          | 322         |
| Oilhub Korea Yeosu Co., Ltd.                                 | 5.00                 | 5,061     | -                      | 4,030      | 9,091       |
| GS E&R Co., Ltd.   | 9.52                 | 40,432    | -                      | 5,088      | 45,520      |
| Tianjin LG Bohai Chemical Co., Ltd.                          | 10.00                | 44,824    | -                      | (34,798)   | 10,026      |
| Cobalt blue holdings Ltd.                                    | 1.65                 | 1,467     | -                      | (1,026)    | 441         |
|  |                      | 112,195   | -                      | (28,310)   | 83,885      |
|  |                      | ₩ 122,697 | ₩ -                    | ₩ (28,310) | ₩ 94,387    |

**9. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES:**

**9.1 Investments in subsidiaries**

As of December 31, 2025 and 2024, investments in subsidiaries are as follows:

|  | Location  | Equity ownership (%) |        | Reporting date | Principal operation |
|--|-----------|----------------------|--------|----------------|---------------------|
|  |           | 2025                 | 2024   |                |                     |
| LX International (America), Inc.       | USA       | 100.00               | 100.00 | Dec.31         | Export and import   |
| LX International Japan Ltd.            | Japan     | 100.00               | 100.00 | Dec.31         | Export and import   |
| LX International (HK) Ltd.             | Hong Kong | 100.00               | 100.00 | Dec.31         | Export and import   |
| LX International (Singapore) Pte. Ltd. | Singapore | 100.00               | 100.00 | Dec.31         | Export and import   |

(Continued)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

|  | Location    | Equity ownership(%) |        | Reporting date | Principal operation   |
|--|-------------|---------------------|--------|----------------|-----------------------|
|  |             | 2025                | 2024   |                |                       |
| LX International (Deutschland) GmbH                          | Deutschland | 100.00              | 100.00 | Dec.31         | Export and import     |
| LX International (Shanghai) Corp.                            | China       | 100.00              | 100.00 | Dec.31         | Export and import     |
| Bowen Investment (Australia) Pty. Ltd.                       | Australia   | 100.00              | 100.00 | Dec.31         | Coal mining           |
| PT. Batubara Global Energy                                   | Indonesia   | 100.00              | 100.00 | Dec.31         | Coal mining           |
| PT. Ganda Alam Makmur  | Indonesia   | 60.00               | 60.00  | Dec.31         | Coal mining           |
| PT. Trans Global Terminal                                    | Indonesia   | 99.99               | 99.99  | Dec.31         | Coal mining           |
| LX International India Private Limited                       | India       | 100.00              | 100.00 | Mar.31         | Export and import     |
| PT. Green Global Lestari                                     | Indonesia   | 100.00              | 100.00 | Dec.31         | Palm oil              |
| PT. LX International Indonesia                               | Indonesia   | 100.00              | 100.00 | Dec.31         | Service               |
| PT. Binsar Natorang Energi                                   | Indonesia   | 95.00               | 95.00  | Dec.31         | Hydroelectric power   |
| PT. Global Investment Institusi                              | Indonesia   | 99.99               | 99.99  | Dec.31         | Health care           |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.        | China       | 100.00              | 100.00 | Dec.31         | Steel frames          |
| Philco Resources Limited                                     | Malaysia    | 60.00               | 60.00  | Dec.31         | Copper mining         |
| Resources Investment (H.K.) Limited                          | Hong Kong   | 100.00              | 100.00 | Dec.31         | Coal mining           |
| LX International Yakutsk LLC.                                | Russia      | 100.00              | 100.00 | Dec.31         | Real estate           |
| Korea Carbon International Co., Ltd.                         | Hong Kong   | 60.00               | 60.00  | Dec.31         | Renewable plant       |
| Colmineral, S.A. de.C.V.                                     | Mexico      | 100.00              | 100.00 | Dec.31         | Iron ore              |
| Fertilizer Resources Investment Limited                      | Hong Kong   | 100.00              | 100.00 | Dec.31         | Fertilizer            |
| PT. Kinarya Prima Utama                                      | Indonesia   | 99.92               | 99.92  | Dec.31         | Hydro power plant     |
| PT. Energy Battery Indonesia                                 | Indonesia   | 99.99               | 99.99  | Dec.31         | Nickel                |
| Dangjin Tank Terminal Co., Ltd.                              | Korea       | 100.00              | 100.00 | Dec.31         | Storage               |
| Haiphong Steel Flower Electrical & Machinery Company Limited | Vietnam     | 100.00              | 100.00 | Dec.31         | Steel frames          |
| Eco & Logis Busan Co., Ltd.                                  | Korea       | 100.00              | 100.00 | Dec.31         | Logistics and storage |
| Poseung Green Power Co., Ltd. (*1)                           | Korea       | 100.00              | 100.00 | Dec.31         | Renewable plant       |
| BSG Partners Co., Ltd. (*2)                                  | Korea       | 70.00               | 25.28  | Dec.31         | Software development  |
| LX Glas Co., Ltd.  | Korea       | 100.00              | 100.00 | Dec.31         | Plate glass           |
| LX Pantos Logistics Co., Ltd.                                | Korea       | 75.90               | 75.90  | Dec.31         | Logistics             |

(Concluded)

(\*1) Poseung Green Power Co., Ltd. issued preferred stocks with voting rights in addition to common shares, so the Company's share of common shares is 100%, and the Company's voting rights are 69.97% in the total number of voting shares, including preferred shares.

(\*2) As a result of the acquisition of an additional 44.72% equity interest for the year ended December 31, 2025, BSG Partners Co., Ltd. was reclassified as a consolidated subsidiary of the Company.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

Details of the investments in subsidiaries as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025        |                 | 2024           |                |
|--|-------------|-----------------|----------------|----------------|
|  | Acquisition | Net asset value | Net book value | Net book value |
| LX International (America), Inc.                             | ₩ 21,156    | ₩ 65,322        | ₩ 65,244       | ₩ 61,233       |
| LX International Japan Ltd.                                  | 401         | 5,747           | 5,747          | 6,012          |
| LX International (HK) Ltd.                                   | 17,663      | 23,484          | 23,484         | 21,192         |
| LX International (Singapore) Pte. Ltd.                       | 3,288       | 50,224          | 49,894         | 49,454         |
| LX International (Deutschland) GmbH                          | 12,314      | 16,397          | 16,397         | 14,179         |
| LX International (Shanghai) Corp.                            | 6,129       | 12,894          | 12,894         | 12,147         |
| Bowen Investment (Australia) Pty. Ltd.                       | 26,707      | 53,015          | 53,015         | 105,833        |
| PT. Batubara Global Energy                                   | 11,753      | 250,211         | 250,214        | 203,870        |
| PT. Ganda Alam Makmur  | 241,090     | 575,108         | 393,939        | 450,565        |
| PT. Trans Global Terminal                                    | 859         | -               | -              | 851            |
| LX International India Private Limited                       | 943         | 3,243           | 3,243          | 2,969          |
| PT. Green Global Lestari                                     | 175,502     | 258,612         | 254,571        | 253,366        |
| PT. LX International Indonesia                               | 98,231      | -125            | -              | -              |
| PT. Binsar Natorang Energi                                   | 59,071      | 131,846         | 126,829        | 129,826        |
| PT. Global Investment Institusi                              | 9,204       | 2,166           | 2,166          | 2,167          |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.        | 7,419       | 28,303          | 28,536         | 28,229         |
| Philco Resources Limited                                     | 4,310       | -133            | -              | -              |
| Resources Investment (H.K.) Limited                          | 53,176      | 268,649         | 268,649        | 319,677        |
| LX International Yakutsk LLC                                 | 5,325       | -158            | -              | -              |
| Korea Carbon International Co., Ltd.                         | 839         | -               | -              | -              |
| Colmineral, S.A. de.C.V.                                     | 5           | 4               | 4              | 4              |
| Fertilizer Resources Investment Limited                      | 97,580      | 162,255         | 162,255        | 192,661        |
| PT. Kinarya Prima Utama                                      | 2,682       | 955             | 2,675          | 2,753          |
| PT. Energy Battery Indonesia                                 | 136,587     | 130,082         | 130,068        | 143,410        |
| Dangjin Tank Terminal Co., Ltd.                              | 116,020     | 88,685          | 89,439         | 90,380         |
| Haiphong Steel Flower Electrical & Machinery Company Limited | 7,773       | 16,172          | 16,172         | 14,308         |
| Eco & Logis Busan Co., Ltd.                                  | 47,600      | 42,619          | 42,619         | 42,633         |
| Poseung Green Power Co., Ltd.                                | 94,950      | 57,900          | 57,900         | 71,342         |
| BSG Partners Co., Ltd.                                       | 90,250      | 84,480          | 95,850         | -              |
| Lx Glas Co., Ltd.  | 590,446     | 240,919         | 240,919        | 347,277        |
| LX Pantos Logistics Co., Ltd.                                | 558,741     | 1,447,742       | 1,229,356      | 1,128,226      |
|  | ₩ 2,498,014 | ₩ 4,016,618     | ₩ 3,622,079    | ₩ 3,694,564    |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

The summarized financial information of major subsidiaries as of December 31, 2025 and 2024, and operation results for the years ended by December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025           |                    |                     |                         |             |                            |                                |
|---|----------------|--------------------|---------------------|-------------------------|-------------|----------------------------|--------------------------------|
|   | Current assets | Non-Current assets | Current liabilities | Non-current liabilities | Revenue     | Profit (loss) for the year | Dividends paid by subsidiaries |
| LX International (America), Inc.        | ₩ 292,325      | ₩ 4,662            | ₩ 230,820           | ₩ 845                   | ₩ 1,185,013 | ₩ 5,445                    | ₩ -                            |
| LX International Japan Ltd.             | 30,416         | 3,082              | 26,498              | 1,253                   | 111,351     | (479)                      | -                              |
| LX International (HK) Ltd.              | 90,419         | 1,428              | 68,161              | 202                     | 269,373     | 2,766                      | -                              |
| LX International (Singapore) Pte. Ltd.  | 458,581        | 24,109             | 432,456             | 10                      | 2,528,918   | 6,820                      | -                              |
| Bowen Investment (Australia) Pty. Ltd.  | 53,340         | 146                | 439                 | 32                      | 17,722      | 1,223                      | 57,252                         |
| PT. Batubara Global Energy              | 270,344        | 128,504            | 148,482             | 155                     | 1,317,023   | 83,828                     | 27,589                         |
| PT. Ganda Alam Makmur                   | 193,591        | 603,232            | 37,740              | 183,975                 | 598,958     | (12,937)                   | 38,047                         |
| PT. Green Global Lestari                | 7,523          | 265,274            | 2,066               | 12,120                  | 482         | 35,289                     | 16,237                         |
| PT. Binsar Natorang Energi              | 59,165         | 215,007            | 16,944              | 125,382                 | 23,585      | 5,827                      | 2,659                          |
| Resources Investment (H.K.) Limited     | 275            | 268,374            | -                   | -                       | -           | 64,275                     | 117,375                        |
| Fertilizer Resources Investment Limited | 211            | 162,044            | -                   | -                       | -           | 10,229                     | 42,306                         |
| PT. Energy Battery Indonesia            | 752            | 145,242            | 15,912              | -                       | -           | (6,502)                    | -                              |
| Dangjin Tank Terminal Co., Ltd.         | 1,171          | 96,649             | 4,738               | 4,397                   | -           | (2,540)                    | -                              |
| Eco & Logis Busan Co., Ltd.             | 877            | 42,272             | 530                 | -                       | -           | (1,413)                    | -                              |
| Poseung Green Power Co., Ltd.           | 27,894         | 214,593            | 27,021              | 157,566                 | 54,664      | (13,547)                   | -                              |
| BSG Partners Co., Ltd.                  | 68,372         | 44,337             | 21,882              | 6,347                   | 89,450      | 7,596                      | -                              |
| Lx Glas Co., Ltd.                       | 180,061        | 253,800            | 72,897              | 120,045                 | 314,638     | (106,365)                  | -                              |
| LX Pantos Logistics Co., Ltd.           | 1,998,523      | 1,701,681          | 1,408,351           | 844,111                 | 7,983,549   | 75,462                     | 46,527                         |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

|   | 2024           |                    |                     |                         |             |                            |                                |
|---|----------------|--------------------|---------------------|-------------------------|-------------|----------------------------|--------------------------------|
|   | Current assets | Non-Current assets | Current liabilities | Non-current liabilities | Revenue     | Profit (loss) for the year | Dividends paid by subsidiaries |
| LX International (America), Inc.        | ₩229,143       | ₩ 3,838            | ₩171,673            | ₩ 16                    | ₩ 1,323,078 | ₩ 2,153                    | ₩ -                            |
| LX International Japan Ltd.             | 30,297         | 3,573              | 26,073              | 1,460                   | 229,869     | 398                        | -                              |
| LX International (HK) Ltd.              | 96,604         | 2,181              | 77,524              | 61                      | 367,751     | 3,412                      | -                              |
| LX International (Singapore) Pte. Ltd.  | 392,093        | 29,738             | 372,122             | 73                      | 2,593,798   | 7,325                      | -                              |
| Bowen Investment (Australia) Pty. Ltd.  | 143,931        | 31,312             | 66,074              | 3,336                   | 102,855     | (8,358)                    | -                              |
| PT. Batubara Global Energy              | 303,080        | 79,545             | 178,615             | 140                     | 1,353,529   | 73,374                     | -                              |
| PT. Ganda Alam Makmur                   | 255,796        | 669,388            | 131,819             | 125,109                 | 622,753     | 51,092                     | 20,784                         |
| PT. Green Global Lestari                | 13,060         | 257,059            | 1,578               | 11,049                  | 160         | 23,760                     | -                              |
| PT. Binsar Natorang Energi              | 58,997         | 234,944            | 17,123              | 141,818                 | 25,392      | 7,302                      | 5,333                          |
| Resources Investment (H.K.) Limited     | 300            | 319,377            | -                   | -                       | -           | 165,814                    | 80,446                         |
| Fertilizer Resources Investment Limited | 221            | 192,440            | -                   | -                       | -           | 7,398                      | 20,756                         |
| PT. Energy Battery Indonesia            | 915            | 142,520            | 12                  | -                       | -           | 268                        | -                              |
| Dangjin Tank Terminal Co., Ltd.         | 1,456          | 97,321             | 4,737               | 4,415                   | -           | (2,261)                    | -                              |
| Eco & Logis Busan Co., Ltd.             | 873            | 42,273             | 513                 | -                       | -           | (1,370)                    | -                              |
| Poseung Green Power Co., Ltd.           | 37,290         | 215,594            | 15,449              | 166,093                 | 65,039      | 154                        | -                              |
| Lx Glas Co., Ltd.                       | 212,206        | 356,162            | 104,584             | 121,633                 | 383,794     | (7,415)                    | -                              |
| LX Pantos Logistics Co., Ltd.           | 2,043,609      | 1,242,017          | 1,459,849           | 511,206                 | 8,063,339   | 152,711                    | 19,584                         |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

Changes in the net book value of investments in subsidiaries by equity method for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025              |   |                   |  |                               |                   |                    |
|---|-------------------|---|-------------------|--|-------------------------------|-------------------|--------------------|
|   | January 1         | Acquisition<br>(disposal)<br>and transfer | Dividends         | Equity<br>adjustments<br>in equity<br>method | Share of<br>profit or<br>loss | Others            | December 31        |
| LX International (America), Inc.                              | ₩ 61,233          | ₩ -                                       | ₩ -               | ₩ (1,415)                                    | ₩ 5,426                       | ₩ -               | ₩ 65,244           |
| LX International Japan Ltd.                                   | 6,012             | -   | -                 | (111)  | (154)                         | -                 | 5,747              |
| LX International (HK) Ltd.                                    | 21,192            | -   | -                 | (482)  | 2,774                         | -                 | 23,484             |
| LX International (Singapore) Pte. Ltd.                        | 49,454            | -   | -                 | (6,232)                                      | 6,672                         | -                 | 49,894             |
| LX International (Deutschland) GmbH                           | 14,179            | -   | -                 | 1,491  | 727                           | -                 | 16,397             |
| LX International (Shanghai) Corp.                             | 12,147            | -   | -                 | 230  | 517                           | -                 | 12,894             |
| Bowen Investment (Australia) Pty. Ltd.                        | 105,833           | -   | (57,252)          | 654  | 1,222                         | 2,558             | 53,015             |
| PT. Batubara Global Energy                                    | 203,870           | -   | (27,589)          | (9,895)                                      | 83,828                        | -                 | 250,214            |
| PT. Ganda Alam Makmur   | 450,565           | -   | (38,047)          | (10,064)                                     | (8,515)                       | -                 | 393,939            |
| PT. Trans Global Terminal                                     | 851               | -   | -                 | (47)   | (804)                         | -                 | -                  |
| LX International India Private Limited                        | 2,969             | -   | -                 | (219)  | 493                           | -                 | 3,243              |
| PT. Green Global Lestari                                      | 253,366           | -   | (16,237)          | (17,932)                                     | 35,374                        | -                 | 254,571            |
| PT. LX International Indonesia                                | -                 | -   | -                 | -  | 735                           | (735)             | -                  |
| PT. Binsar Natorang Energi                                    | 129,826           | -   | (2,659)           | (5,873)                                      | 5,535                         | -                 | 126,829            |
| PT. Global Investment Institusi                               | 2,167             | -   | -                 | 949  | (950)                         | -                 | 2,166              |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.         | 28,229            | -   | (3,190)           | 451  | 3,046                         | -                 | 28,536             |
| Resources Investment (H.K.) Limited                           | 319,677           | -   | (117,375)         | 2,072  | 64,275                        | -                 | 268,649            |
| LX International Yakutsk LLC.                                 | -                 | -   | -                 | -  | -                             | -                 | -                  |
| Colmineral, S.A. de.C.V.                                      | 4                 | -   | -                 | -  | -                             | -                 | 4                  |
| Fertilizer Resources Investment Limited                       | 192,661           | -   | (42,306)          | 1,671  | 10,229                        | -                 | 162,255            |
| PT. Kinarya Prima Utama                                       | 2,753             | -   | -                 | (63)   | (15)                          | -                 | 2,675              |
| PT. Energy Battery Indonesia                                  | 143,410           | -   | -                 | (6,840)                                      | (6,502)                       | -                 | 130,068            |
| Dangjin Tank Terminal Co., Ltd.                               | 90,380            | 1,600                                     | -                 | -  | (2,541)                       | -                 | 89,439             |
| Haiiphong Steel Flower Electrical & Machinery Company Limited | 14,308            | -   | (1,471)           | (746)  | 4,081                         | -                 | 16,172             |
| Eco & Logis Busan Co., Ltd.                                   | 42,633            | 1,400                                     | -                 | -  | (1,414)                       | -                 | 42,619             |
| Poseung Green Power Co., Ltd.                                 | 71,342            | -   | -                 | -  | (13,547)                      | 105               | 57,900             |
| BSG Partners Co., Ltd.  | -                 | 96,245                                    | -                 | (6)  | (389)                         | -                 | 95,850             |
| Lx Glas Co., Ltd.   | 347,277           | -   | -                 | -  | (17,323)                      | (89,035)          | 240,919            |
| LX Pantos Logistics Co., Ltd.                                 | 1,128,226         | -   | (46,527)          | 88,425                                       | 57,330                        | 1,902             | 1,229,356          |
|   | <u>₩3,694,564</u> | <u>₩ 99,245</u>                           | <u>₩(352,653)</u> | <u>₩ 36,018</u>                              | <u>₩ 230,110</u>              | <u>₩ (85,205)</u> | <u>₩ 3,622,079</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.1 Investments in subsidiaries (cont'd)**

|  | 2024              |   |                   |  |                               |                    |                    |
|--|-------------------|---|-------------------|--|-------------------------------|--------------------|--------------------|
|  | January 1         | Acquisition<br>(disposal)<br>and transfer | Dividends         | Equity<br>adjustments<br>in equity<br>method | Share of<br>profit or<br>loss | Others             | December 31        |
| LX International (America), Inc.                             | ₩ 51,279          | ₩ -                                       | ₩ -               | ₩ 7,412                                      | ₩ 2,542                       | ₩ -                | ₩ 61,233           |
| LX International Japan Ltd.                                  | 5,228             | -   | -                 | 166  | 618                           | -                  | 6,012              |
| LX International (HK) Ltd.                                   | 15,370            | -   | -                 | 2,418  | 3,404                         | -                  | 21,192             |
| LX International (Singapore) Pte. Ltd.                       | 32,746            | -   | -                 | 9,324  | 7,384                         | -                  | 49,454             |
| LX International (Deutschland) GmbH                          | 12,425            | -   | -                 | 920  | 834                           | -                  | 14,179             |
| LX International (Shanghai) Corp.                            | 9,931             | -   | -                 | 1,188  | 1,028                         | -                  | 12,147             |
| Bowen Investment (Australia) Pty. Ltd.                       | 110,117           | -   | -                 | 4,074  | (8,358)                       | -                  | 105,833            |
| PT. Batubara Global Energy                                   | 108,659           | -   | -                 | 21,837                                       | 73,374                        | -                  | 203,870            |
| PT. Ganda Alam Makmur  | 391,826           | -   | (20,784)          | 49,002                                       | 30,521                        | -                  | 450,565            |
| PT. Trans Global Terminal                                    | -                 | 859                                       | -                 | 48   | (56)                          | -                  | 851                |
| LX International India Private Limited                       | 2,170             | -   | -                 | 266  | 533                           | -                  | 2,969              |
| PT. Green Global Lestari                                     | 207,757           | -   | -                 | 23,724                                       | 21,885                        | -                  | 253,366            |
| PT. LX International Indonesia                               | -                 | -   | -                 | (241)  | 8,147                         | (7,906)            | -                  |
| PT. Binsar Natorang Energi                                   | 111,894           | -   | (5,333)           | 16,328                                       | 6,937                         | -                  | 129,826            |
| PT. Global Investment Institusi                              | 2,021             | -   | -                 | (1,051)                                      | 995                           | 202                | 2,167              |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.        | 23,381            | -   | (2,107)           | 2,756  | 4,199                         | -                  | 28,229             |
| Resources Investment (H.K.) Limited                          | 206,869           | -   | (80,446)          | 27,440                                       | 165,814                       | -                  | 319,677            |
| LX International Yakutsk LLC.                                | -                 | -   | -                 | (591)  | (1,470)                       | 2,061              | -                  |
| Colmineral, S.A. de.C.V.                                     | 4                 | -   | -                 | -  | -                             | -                  | 4                  |
| Fertilizer Resources Investment Limited                      | 185,609           | -   | (20,756)          | 20,410                                       | 7,398                         | -                  | 192,661            |
| PT. Kinarya Prima Utama                                      | 2,571             | 112                                       | -                 | 83   | (13)                          | -                  | 2,753              |
| PT. Energy Battery Indonesia                                 | 836               | 135,751                                   | -                 | 6,555  | 268                           | -                  | 143,410            |
| Dangjin Tank Terminal Co., Ltd.                              | 90,641            | 2,000                                     | -                 | -  | (2,261)                       | -                  | 90,380             |
| Haiphong Steel Flower Electrical & Machinery Company Limited | 9,006             | -   | -                 | 1,020  | 4,282                         | -                  | 14,308             |
| Eco & Logis Busan Co., Ltd.                                  | 42,803            | 1,200                                     | -                 | -  | (1,370)                       | -                  | 42,633             |
| Poseung Green Power Co., Ltd.                                | 71,368            | -   | -                 | -  | 155                           | (181)              | 71,342             |
| Lx Glas Co., Ltd.  | 465,515           | -   | -                 | -  | (7,319)                       | (110,919)          | 347,277            |
| LX Pantos Logistics Co., Ltd.                                | 716,251           | 244,020                                   | (19,584)          | 32,043                                       | 154,050                       | 1,446              | 1,128,226          |
|  | <u>₩2,876,727</u> | <u>₩ 383,942</u>                          | <u>₩(149,010)</u> | <u>₩ 225,131</u>                             | <u>₩ 473,521</u>              | <u>₩ (115,297)</u> | <u>₩ 3,694,564</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.2 Investments in associates**

As of December 31, 2025 and 2024, investments in associates are as follows:

|  | Location | Equity ownership (%) |       | Reporting date | Principal operation                    |
|--|----------|----------------------|-------|----------------|--|
|  |          | 2025                 | 2024  |                |  |
| Biofriends INC. (*1)                           | Korea    | 10.43                | 10.44 | Dec.31         | Manufacturing and selling clean energy |
| ATEAM VENTURES Co., Ltd. (*1)                  | Korea    | 10.91                | 10.91 | Dec.31         | Software development                   |
| BSG Partners Co., Ltd. (*3)                    | Korea    | -                    | 25.28 | Dec.31         | Software development                   |
| LX Ventures New Technology Investment Fund 1   | Korea    | 26.67                | 26.67 | Dec.31         | Financial investment                   |
| POSCO-IPPC (India Pune Processing Center) (*2) | India    | -                    | 35.00 | Mar.31         | Processing and selling steel           |
| POSCO-PWPC (Poland Wroclaw Processing Center)  | Poland   | 40.00                | 40.00 | Dec.31         | Processing and selling steel           |
| GS HP Sunflower Village Int'l Corp.            | Vietnam  | 30.00                | 30.00 | Dec.31         | Leasing real estate                    |
| Musandam Power Company SAOC (*1)               | Oman     | 18.00                | 18.00 | Dec.31         | Thermal power plant                    |
| Gansu Wuwei Cogeneration Power Plant           | China    | 30.00                | 30.00 | Dec.31         | Generating cogeneration                |

(\*1) The entities were classified as associates even though the Company holds less than 20% equity ownership.

As the Company has rights to elect the directors of the entities and its executives participate in their management as directors, the Company considered that it has significant influence over these entities.

(\*2) For the year ended December 31, 2024, the Company classified it as non-current assets held for sale and it was disposed for the year ended December 31, 2025.

(\*3) As a result of the acquisition of an additional 44.72% equity interest for the year ended December 31, 2025, BSG Partners Co., Ltd. was reclassified as a consolidated subsidiary of the Company.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.2 Investments in associates (cont'd)**

Details of the investments in associates as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025            |                  | 2024             |                  |
|---|-----------------|------------------|------------------|------------------|
|   | Acquisition     | Net asset value  | Net book value   | Net book value   |
| Biofriends INC.                               | ₩ 2,720         | ₩ (10,811)       | ₩ 780            | ₩ 1,413          |
| ATEAM VENTURES Co., Ltd.                      | 3,500           | (2,236)          | -                | 2,957            |
| BSG Partners Co., Ltd.                        | -               | -                | -                | 31,403           |
| LX Ventures New Technology Investment Fund 1  | 5,600           | 19,779           | 5,274            | 3,072            |
| POSCO-PWPC (Poland Wroclaw Processing Center) | 5,244           | 35,003           | 14,025           | 13,259           |
| GS HP Sunflower Village Int'l Corp.           | 2,911           | 19,452           | 5,897            | 6,165            |
| Musandam Power Company SAOC                   | 6,535           | 46,560           | 8,728            | 8,845            |
| Gansu Wuwei Cogeneration Power Plant          | 55,932          | 267,423          | 80,677           | 69,037           |
|   | <u>₩ 82,442</u> | <u>₩ 375,170</u> | <u>₩ 115,381</u> | <u>₩ 136,151</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.2 Investments in associates (cont'd)**

The condensed financial information of major associates as of December 31, 2025 and 2024, is as follows (Korean won in millions):

|   | 2025           |                    |                     |                         |           |                            |                                |  |
|---|----------------|--------------------|---------------------|-------------------------|-----------|----------------------------|--------------------------------|--|
|   | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Revenue   | Profit (loss) for the year | Dividends paid by subsidiaries |  |
| POSCO-PWPC (Poland Wroclaw Processing Center) | ₩ 89,384       | ₩ 7,675            | ₩ 62,053            | ₩ 2                     | ₩ 128,219 | ₩ (1,852)                  | ₩ -                            |  |
| Musandam Power Company SAOC                   | 12,485         | 243,754            | 13,808              | 195,870                 | 72,706    | 7,650                      | 1,294                          |  |
| Gansu Wuwei Cogeneration Power Plant          | 135,937        | 385,811            | 73,601              | 180,724                 | 245,604   | 39,516                     | 1,694                          |  |
|   | 2024           |                    |                     |                         |           |                            |                                |  |
|   | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Revenue   | Profit (loss) for the year | Dividends paid by subsidiaries |  |
| BSG Partners Co., Ltd.                        | ₩ 42,052       | ₩ 42,432           | ₩ 5,635             | ₩ 5,834                 | ₩ 50,606  | ₩ 3,797                    | ₩ -                            |  |
| POSCO-PWPC (Poland Wroclaw Processing Center) | 78,179         | 7,289              | 52,374              | 9                       | 114,751   | 109                        | -                              |  |
| Musandam Power Company SAOC                   | 23,694         | 244,859            | 9,667               | 211,676                 | 72,034    | 8,924                      | 1,210                          |  |
| Gansu Wuwei Cogeneration Power Plant          | 107,722        | 396,217            | 64,752              | 210,559                 | 223,008   | 8,773                      | 2,005                          |  |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.2 Investments in associates (cont'd)**

Changes in the net book value of investments in associates for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025            |                                     |                  |                                     |                         |                  |                  |
|--|-----------------|-------------------------------------|------------------|-------------------------------------|-------------------------|------------------|------------------|
|  | January 1       | Acquisition (disposal) and transfer | Dividends        | Equity adjustments in equity method | Share of profit or loss | Others           | December 31      |
| Biofriends INC.                                | ₩ 1,413         | ₩ -                                 | ₩ -              | ₩ -                                 | ₩ (633)                 | ₩ -              | ₩ 780            |
| ATEAM VENTURES Co., Ltd. (*2)                  | 2,957           | -                                   | -                | -                                   | (141)                   | (2,816)          | -                |
| BSG Partners Co., Ltd. (*3)                    | 31,403          | (33,317)                            | -                | (102)                               | 1,901                   | 115              | -                |
| LX Ventures New Technology Investment Fund 1   | 3,072           | 2,400                               | -                | -                                   | (198)                   | -                | 5,274            |
| POSCO-IPPC (India Pune Processing Center) (*1) | -               | -                                   | -                | 1,432                               | -                       | (1,432)          | -                |
| POSCO-PWPC (Poland Wroclaw Processing Center)  | 13,259          | -                                   | -                | 1,507                               | (741)                   | -                | 14,025           |
| GS HP Sunflower Village Int'l Corp.            | 6,165           | -                                   | -                | (328)                               | 60                      | -                | 5,897            |
| Musandam Power Company SAOC                    | 8,845           | -                                   | (1,294)          | (200)                               | 1,377                   | -                | 8,728            |
| Gansu Wuwei Cogeneration Power Plant           | 69,037          | -                                   | (1,694)          | 1,478                               | 11,856                  | -                | 80,677           |
|  | <u>₩136,151</u> | <u>₩ (30,917)</u>                   | <u>₩ (2,988)</u> | <u>₩ 3,787</u>                      | <u>₩ 13,481</u>         | <u>₩ (4,133)</u> | <u>₩ 115,381</u> |

(\*1) The entity was classified as asset held for sale as of December 31, 2024, and was disposed of for the year ended December 31, 2025.

(\*2) An impairment loss of ₩2,816 million was recognized during the year as a result of a decline of business performances.

(\*3) The entity was reclassified from an investment in an associate to an investment in a subsidiary, and the acquisition cost includes cash consideration and the fair value of a call option.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**9.2 Investments in associates (cont'd)**

|   | 2024            |   |                  |  |                               |                   |                  |
|---|-----------------|---|------------------|--|-------------------------------|-------------------|------------------|
|   | January<br>1    | Acquisition<br>(disposal)<br>and transfer | Dividends        | Equity<br>adjustments<br>in equity<br>method | Share of<br>profit or<br>loss | Others (*1)       | December<br>31   |
| Biofriends INC.                                   | ₩ 1,960         | ₩ -                                       | ₩ -              | ₩ -  | ₩ (547)                       | ₩ -               | ₩ 1,413          |
| ATEAM VENTURES Co., Ltd.                          | 3,131           | -   | -                | -  | (206)                         | 32                | 2,957            |
| BSG Partners Co., Ltd.                            | 30,340          | -   | -                | 103  | 960                           | -                 | 31,403           |
| LX Ventures New Technology<br>Investment Fund 1   | 3,176           | -   | -                | -  | (104)                         | -                 | 3,072            |
| POSCO-IPPC (India<br>Pune Processing Center) (*1) | 17,565          | -   | -                | 1,150  | 392                           | (19,107)          | -                |
| POSCO-PWPC (Poland<br>Wroclaw Processing Center)  | 12,172          | -   | -                | 1,044  | 43                            | -                 | 13,259           |
| GS HP Sunflower Village<br>Int'l Corp.            | 5,845           | -   | (69)             | 479  | (71)                          | (19)              | 6,165            |
| Musandam Power Company<br>SAOC                    | 7,450           | -   | (1,210)          | 999  | 1,606                         | -                 | 8,845            |
| Gansu Wuwei Cogeneration<br>Power Plant           | 61,477          | -   | (2,005)          | 6,934  | 2,631                         | -                 | 69,037           |
|   | <u>₩143,116</u> | <u>₩ -</u>                                | <u>₩ (3,284)</u> | <u>₩ 10,709</u>                              | <u>₩ 4,704</u>                | <u>₩ (19,094)</u> | <u>₩ 136,151</u> |

(\*1) The entity was classified as asset held for sale as of December 31, 2024.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**10. PROPERTY, PLANT AND EQUIPMENT:**

Details of property, plant and equipment as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                          | 2025             |                          |                |
|--------------------------|------------------|--------------------------|----------------|
|                          | Acquisition cost | Accumulated depreciation | Net book value |
| Land                     | ₩ 1,669          | ₩ -                      | ₩ 1,669        |
| Buildings                | 1,990            | (222)                    | 1,768          |
| Structures               | 1,275            | (1,032)                  | 243            |
| Machinery and equipment  | 487              | (354)                    | 133            |
| Vehicles                 | 292              | (119)                    | 173            |
| Others                   | 9,145            | (8,518)                  | 627            |
| Construction in progress | -                | -                        | -              |
| Right-of-use assets      | 16,546           | (12,315)                 | 4,231          |
|                          | ₩ 31,404         | ₩ (22,560)               | ₩ 8,844        |

|                          | 2024             |                          |                |
|--------------------------|------------------|--------------------------|----------------|
|                          | Acquisition cost | Accumulated depreciation | Net book value |
| Land                     | ₩ 1,669          | ₩ -                      | ₩ 1,669        |
| Buildings                | 1,990            | (180)                    | 1,810          |
| Structures               | 1,275            | (1,022)                  | 253            |
| Machinery and equipment  | 453              | (305)                    | 148            |
| Vehicles                 | 251              | (120)                    | 131            |
| Others                   | 9,060            | (8,397)                  | 663            |
| Construction in progress | -                | -                        | -              |
| Right-of-use assets      | 15,615           | (9,915)                  | 5,700          |
|                          | ₩ 30,313         | ₩ (19,939)               | ₩ 10,374       |

Changes in the net book value of property, plant and equipment for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                          | 2025      |           |          |          |              |             |
|--------------------------|-----------|-----------|----------|----------|--------------|-------------|
|                          | January 1 | Additions | Transfer | Disposal | Depreciation | December 31 |
| Land                     | ₩ 1,669   | ₩ 287     | ₩ -      | ₩ (287)  | ₩ -          | ₩ 1,669     |
| Buildings                | 1,810     | 246       | -        | (236)    | (52)         | 1,768       |
| Structures               | 253       | -         | -        | -        | (10)         | 243         |
| Machinery and equipment  | 148       | 34        | -        | -        | (49)         | 133         |
| Vehicles                 | 131       | 84        | -        | -        | (42)         | 173         |
| Others                   | 663       | 275       | 8        | (9)      | (310)        | 627         |
| Construction in progress | -         | 26        | (26)     | -        | -            | -           |
| Right-of-use assets      | 5,700     | 6,857     | -        | (256)    | (8,070)      | 4,231       |
|                          | ₩ 10,374  | ₩ 7,809   | ₩ (18)   | ₩ (788)  | ₩ (8,533)    | ₩ 8,844     |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**10. Property, plant and equipment (cont'd)**

|                          | 2024           |                 |                  |                  |                  |                 |
|--------------------------|----------------|-----------------|------------------|------------------|------------------|-----------------|
|                          | January 1      | Additions       | Transfer         | Disposal         | Depreciation     | December 31     |
| Land                     | ₩ 298          | ₩ -             | ₩ 1,371          | ₩ -              | ₩ -              | ₩ 1,669         |
| Buildings                | 651            | -               | 1,184            | -                | (25)             | 1,810           |
| Structures               | 301            | -               | -                | -                | (48)             | 253             |
| Machinery and equipment  | 94             | 95              | -                | -                | (41)             | 148             |
| Vehicles                 | 91             | 73              | -                | -                | (33)             | 131             |
| Others                   | 545            | 570             | -                | (19)             | (433)            | 663             |
| Construction in progress | 891            | 3,524           | (4,331)          | (84)             | -                | -               |
| Right-of-use assets      | 4,527          | 9,818           | -                | (963)            | (7,682)          | 5,700           |
|                          | <u>₩ 7,398</u> | <u>₩ 14,080</u> | <u>₩ (1,776)</u> | <u>₩ (1,066)</u> | <u>₩ (8,262)</u> | <u>₩ 10,374</u> |

Details of insurance for properties are as follows (Korean won in millions):

|                    | Insured assets            | Insurance institution            | Insured amount |          |
|--------------------|---------------------------|----------------------------------|----------------|----------|
|                    |                           |                                  | 2025           | 2024     |
| Property insurance | Plant and equipment, etc. | KB insurance Co, LTD. and others | ₩ 28,160       | ₩ 33,303 |

**11. INTANGIBLE ASSETS:**

Details of intangible assets as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                            | 2025            | 2024            |
|----------------------------|-----------------|-----------------|
| Industrial property rights | ₩ 4             | ₩ 1             |
| License                    | 10,881          | 11,163          |
| Others                     | 2,364           | 3,487           |
| Construction in progress   | 8,480           | -               |
|                            | <u>₩ 21,729</u> | <u>₩ 14,651</u> |

Changes in the net book value of intangible assets for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                            | 2025            |                |                |                  |                  |                 |
|----------------------------|-----------------|----------------|----------------|------------------|------------------|-----------------|
|                            | January 1       | Additions      | Disposals      | Reclassification | Amortization     | December 31     |
| Industrial property rights | ₩ 1             | ₩ 4            | ₩ -            | ₩ -              | ₩ (1)            | ₩ 4             |
| License                    | 11,163          | -              | (300)          | 18               | -                | 10,881          |
| Others                     | 3,487           | 137            | -              | -                | (1,260)          | 2,364           |
| Construction in progress   | -               | 8,480          | -              | -                | -                | 8,480           |
|                            | <u>₩ 14,651</u> | <u>₩ 8,621</u> | <u>₩ (300)</u> | <u>₩ 18</u>      | <u>₩ (1,261)</u> | <u>₩ 21,729</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**11. Intangible assets (cont'd)**

|                            | 2024            |              |                  |                  |                  |                 |
|----------------------------|-----------------|--------------|------------------|------------------|------------------|-----------------|
|                            | January 1       | Additions    | Disposals        | Reclassification | Amortization     | December 31     |
| Industrial property rights | ₩ -             | ₩ 1          | ₩ -              | ₩ -              | ₩ -              | ₩ 1             |
| Land                       | 12,185          | -            | (1,022)          | -                | -                | 11,163          |
| Buildings                  | 2,679           | 319          | -                | 1,776            | (1,287)          | 3,487           |
|                            | <u>₩ 14,864</u> | <u>₩ 320</u> | <u>₩ (1,022)</u> | <u>₩ 1,776</u>   | <u>₩ (1,287)</u> | <u>₩ 14,651</u> |

The Company participates as the Klaytn Blockchain Platform Operator (General Council Officer) and is acquiring the cryptocurrency, Klay. Acquisition of the asset does not require significant acquisition costs; therefore, it is treated as a non-retained asset. As of December 31, 2025, the Company has 3,742,084 Kaia (2024: 3,742,072 Kaia).

**12. TRADE AND OTHER RECEIVABLES:**

Details of trade and other receivables as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025             |                                 |                  | 2024             |                                 |                  |
|--|------------------|---------------------------------|------------------|------------------|---------------------------------|------------------|
|  | Total amount     | Allowance for doubtful accounts | Net value        | Total amount     | Allowance for doubtful accounts | Net value        |
| Current:   |                  |                                 |                  |                  |                                 |                  |
| Trade receivables                                      | ₩ 409,816        | ₩ (3,218)                       | ₩ 406,598        | ₩ 435,287        | ₩ (40,072)                      | ₩ 395,215        |
| Short-term loans                                       | 1,196            | -                               | 1,196            | 2,205            | (735)                           | 1,470            |
| Other receivables (*1)                                 | 22,132           | (4,864)                         | 17,268           | 26,477           | (4,849)                         | 21,628           |
| Current portion of long-term other accounts receivable | -                | -                               | -                | -                | -                               | -                |
| Accrued income   | 4,615            | (3,108)                         | 1,507            | 3,838            | (3,576)                         | 262              |
| Short-term deposits                                    | 2,924            | -                               | 2,924            | 2,641            | -                               | 2,641            |
|  | <u>440,683</u>   | <u>(11,190)</u>                 | <u>429,493</u>   | <u>470,448</u>   | <u>(49,232)</u>                 | <u>421,216</u>   |
| Non-current:   |                  |                                 |                  |                  |                                 |                  |
| Long-term loans  | 48,616           | (38,291)                        | 10,325           | 47,980           | (37,690)                        | 10,290           |
| Long-term uncollected income                           | 11,285           | (7,582)                         | 3,703            | 8,956            | (6,890)                         | 2,066            |
| Long-term bank deposits (*2)                           | 9                | -                               | 9                | 10               | -                               | 10               |
| Long-term deposits                                     | 679              | -                               | 679              | 2,143            | (1,492)                         | 651              |
|  | <u>60,589</u>    | <u>(45,873)</u>                 | <u>14,716</u>    | <u>59,089</u>    | <u>(46,072)</u>                 | <u>13,017</u>    |
|  | <u>₩ 501,272</u> | <u>₩ (57,063)</u>               | <u>₩ 444,209</u> | <u>₩ 529,537</u> | <u>₩ (95,304)</u>               | <u>₩ 434,233</u> |

(\*1) As of December 31, 2025, other receivables related to derivatives of ₩2,853 million (2024: ₩2,032 million) were excluded. (see Note 6).

(\*2) As of December 31, 2025, it presents the amount after excluding ₩1,090 million (2024: ₩952 million) of excessive amount of plan assets (see Note 20).

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**12. Trade and other receivables (cont'd)**

Changes in the net book value of allowance for doubtful accounts for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                     | 2025              |                   | 2024              |                   |
|---------------------|-------------------|-------------------|-------------------|-------------------|
|                     | Trade receivables | Other receivables | Trade receivables | Other receivables |
| January 1           | ₩ 40,072          | ₩ 55,232          | ₩ 39,412          | ₩ 48,652          |
| Bad debt expenses   | -                 | 4,720             | 660               | 11,763            |
| Bad debt recoveries | (120)             | -                 | -                 | -                 |
| Others (*1)         | (36,734)          | (6,106)           | -                 | (5,183)           |
| December 31         | ₩ 3,218           | ₩ 53,846          | ₩ 40,072          | ₩ 55,232          |

(\*1) For the year ended December 31, 2025, the reduction from the write-off of long-term receivable, which amounts to ₩42,554 million, is included.

Aging analysis of trade receivables as of December 31, 2025 and 2024, is as follows (Korean won in millions):

|               | Less than 3 months |     | 3 to 6 months | 6 to 12 months | 1 year to 3 years | More than 3 years |   | Total |
|---------------|--------------------|-----|---------------|----------------|-------------------|-------------------|---|-------|
|               | ₩                  |     |               |                |                   | ₩                 | ₩ |       |
| Dec. 31, 2025 | ₩ 407,306          | ₩ - | ₩ -           | ₩ 502          | ₩ 2,008           | ₩ 409,816         |   |       |
| Dec. 31, 2024 | ₩ 391,228          | ₩ - | ₩ -           | ₩ 874          | ₩ 43,185          | ₩ 435,287         |   |       |

As of December 31, 2025, there are no trade accounts receivable that were transferred or factored, but not derecognized because the requirements for financial instrument derecognition are not met.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**13. BORROWINGS AND BONDS:**

**13.1 Short-term borrowings**

| Description        | Financial institution    | Annual interest rate as of Dec. 31, 2025 | 2025 | 2024      |
|--------------------|--------------------------|--|------|-----------|
| General borrowings | Bank of China and others | CD91 rate + 0.9 % and others             | ₩ -  | ₩ 150,000 |
|                    |                          |  | ₩ -  | ₩ 150,000 |

The Company has contracts of commercial paper discount with HSBC, SMBC, CA and others. Amounts that have not reached maturity after discounts and do not meet the requirements of financial asset derecognition are accounted for as short-term borrowings.

The Company has signed individual and comprehensive loan agreements (credit limit of ₩13,000 million) with Shinhan Bank and two other banks in relation to bank overdraft facilities as of December 31, 2025.

**13.2 Long-term borrowings**

Details of long-term borrowings as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                  | Financial institution               | Annual interest rate as of Dec. 31, 2025           | 2025                 | 2024      |           |
|------------------|-------------------------------------|--|----------------------|-----------|-----------|
| Local currency   | Korea Energy Agency                 | Special Energy Fund Rate – 1.25%                   | ₩ 7,729              | ₩ -       |           |
|                  | Forestry Cooperative in Korea       | 1.5%   | -                    | 814       |           |
|                  | The Export-Import Bank of Korea     | Export-Import Financial Debentures 3 month + 1.36% | -                    | 36,750    |           |
|                  | KDB Bank                            | CD91 rate + 1.55%                                  | 280,000              | 280,000   |           |
|                  | Agricultural Bank of China          | CD91 rate + 0.99%                                  | 50,000               | 30,000    |           |
|                  | China Construction Bank Corporation | CD91 rate + 0.65%                                  | 80,000               | 20,000    |           |
|                  | Mizuho Bank                         | CD91 rate + 0.85%                                  | 30,000               | 50,000    |           |
|                  | Shinhan Bank                        | CD91 rate + 1.41%                                  | 100,000              | 100,000   |           |
|                  | SMBC                                | CD91 rate + 0.83%                                  | 40,000               | -         |           |
|                  | HSBC Bank                           | CD91 rate + 1.33%                                  | 50,000               | 50,000    |           |
|                  | KEB Hana Bank                       | CD91 rate + 1.47%                                  | 50,000               | 50,000    |           |
|                  |                                     |  |                      | 687,729   | 617,564   |
|                  |                                     |  | Less current portion | (230,000) | (117,564) |
|                  |                                     |  |                      | 457,729   | 500,000   |
| Foreign currency | Korea Energy Agency                 | Special Energy Fund Rate – 2.25%                   | 14,655               | 15,014    |           |
|                  |                                     |  | 14,655               | 15,014    |           |
|                  |                                     | Less current portion                               | -                    | -         |           |
|                  |                                     | 14,655   | 15,014               |           |           |
|                  |                                     |  | ₩ 472,384            | ₩ 515,014 |           |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**13.3 Bonds**

Details of bonds as of December 31, 2025 and 2024, are as follows (Korean won in millions):

| Series                                    | Issue date      | Maturity date   | Rate  | 2025 |           | 2024 |           | Warranty     |
|---|-----------------|-----------------|-------|------|-----------|------|-----------|--------------|
| 119-1st                                   | May. 13. 2020   | May. 13. 2030   | 3.10% | ₩    | 50,000    | ₩    | 50,000    | Non-warranty |
| 120-2nd                                   | May. 27. 2020   | May. 27. 2025   | 2.07% |      | -         |      | 50,000    | Non-warranty |
| 121-1st                                   | Aug. 06. 2021   | Aug. 06. 2026   | 2.29% |      | 20,000    |      | 20,000    | Non-warranty |
| 121-2nd                                   | Aug. 06. 2021   | Aug. 06. 2031   | 3.10% |      | 30,000    |      | 30,000    | Non-warranty |
| 122-1st                                   | Jan. 28. 2022   | Jan. 27. 2025   | 2.96% |      | -         |      | 110,000   | Non-warranty |
| 122-2nd                                   | Jan. 28. 2022   | Jan. 28. 2027   | 3.14% |      | 110,000   |      | 110,000   | Non-warranty |
| 122-3rd                                   | Jan. 28. 2022   | Jan. 26. 2029   | 3.33% |      | 80,000    |      | 80,000    | Non-warranty |
| 123-1st                                   | April. 24. 2023 | April. 24. 2025 | 3.99% |      | -         |      | 30,000    | Non-warranty |
| 123-2nd                                   | April. 24. 2023 | April. 24. 2026 | 4.11% |      | 100,000   |      | 100,000   | Non-warranty |
| 123-3rd                                   | April. 24. 2023 | April. 24. 2028 | 4.39% |      | 70,000    |      | 70,000    | Non-warranty |
| 124-1st                                   | April. 16. 2025 | April. 16. 2027 | 2.90% |      | 120,000   |      | -         | Non-warranty |
| 124-2nd                                   | April. 16. 2025 | April. 14. 2028 | 2.93% |      | 180,000   |      | -         | Non-warranty |
| Less discount on bonds                    |                 |                 |       |      | (1,126)   |      | (768)     |              |
| Less current portion of bonds             |                 |                 |       |      | (120,000) |      | (190,000) |              |
| Less current portion of discount on bonds |                 |                 |       |      | 36        |      | 27        |              |
|   |                 |                 |       | ₩    | 638,910   | ₩    | 459,259   |              |

The Company issued the 119-1st; 121-1st and 121-2nd; 122-2nd and 122-3rd; 123-2nd and 123-3rd; 124-1st 124-2nd unsecured bonds at a discount, and the bonds are to be repaid at the maturity date at once and the interest payment is the three-month redemption condition. Discounts on the bonds are amortized using the effective interest method over the repayment period of the bonds and added to finance costs.

**14. PROVISIONS:**

Details of provisions as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                           | 2025    |             | 2024    |             |
|---------------------------|---------|-------------|---------|-------------|
|                           | Current | Non-current | Current | Non-current |
| Rehabilitation provisions | ₩ 1,712 | ₩ 142       | ₩ 1,712 | ₩ 142       |
| Onerous contracts         | -       | -           | -       | -           |
| Provisions for litigation | -       | -           | -       | -           |
|                           | ₩ 1,712 | ₩ 142       | ₩ 1,712 | ₩ 142       |

Changes in provisions for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                           | 2025      |                        |      |        |             |
|---------------------------|-----------|------------------------|------|--------|-------------|
|                           | January 1 | Recognition (reversal) | Used | Others | December 31 |
| Rehabilitation provisions | ₩ 1,854   | ₩ -                    | ₩ -  | ₩ -    | ₩ 1,854     |
|                           | ₩ 1,854   | ₩ -                    | ₩ -  | ₩ -    | ₩ 1,854     |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**14. Provisions (cont'd)**

|                           | 2024      |                           |           |             |             |
|---------------------------|-----------|---------------------------|-----------|-------------|-------------|
|                           | January 1 | Recognition<br>(reversal) | Used      | Others (*1) | December 31 |
| Rehabilitation provisions | ₩ 1,854   | ₩ -                       | ₩ -       | ₩ -         | ₩ 1,854     |
| Onerous contracts         | 7,292     | (3,552)                   | (4,476)   | 736         | -           |
| Provisions for litigation | 562       | (603)                     | -         | 41          | -           |
|                           | ₩ 9,708   | ₩ (4,155)                 | ₩ (4,476) | ₩ 777       | ₩ 1,854     |

(\*1) Includes the effects of fluctuation in foreign currency exchange rates.

**15. CAPITAL STOCKS AND OTHERS:**

**15.1 Capital stocks**

Details of capital stocks as of December 31, 2025 and 2024, are as follows (Korean won in millions, except per share amounts):

|                                  | 2025       | 2024       |
|----------------------------------|------------|------------|
| Number of ordinary shares issued | 38,760,000 | 38,760,000 |
| Par value per share              | ₩ 5,000    | ₩ 5,000    |
|                                  | ₩ 193,800  | ₩ 193,800  |

**15.2 Capital surplus**

|  | 2025      | 2024      |
|--|-----------|-----------|
| Paid-in capital in excess of par value | ₩ 47,106  | ₩ 47,106  |
| Asset revaluation surplus (*1)         | 37,286    | 37,286    |
| Other capital surplus                  | 17,732    | 17,732    |
|  | ₩ 102,124 | ₩ 102,124 |

(\*1) The Company revalued its property, plant and equipment on July 1, 1998, in accordance with the Assets Revaluation Act, and the revaluation difference amounted to ₩87,151 million. The revaluation reserve was calculated by deducting the revaluation tax and the exchange rate adjustment difference from the revaluation difference.

**15.3 Other components of equity**

Details of other components of equity as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|                     | 2025       | 2024       |
|---------------------|------------|------------|
| Treasury stock (*1) | ₩ (40,690) | ₩ (40,690) |

(\*1) As of December 31, 2025, the Company has 2,792,098 shares of treasury stocks.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**15.4 Accumulated other comprehensive loss**

Details of accumulated other comprehensive loss as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025             |          | 2024           |
|--|------------------|----------|----------------|
| Loss on valuation of financial instrument at FVTOCI                    | ₩ (55,182)       | ₩        | (30,687)       |
| Gain on valuation of derivatives for cash flow hedges                  | 563              |          | -              |
| Positive changes in equity arising from equity method investments (*1) | 330,137          |          | 267,599        |
| Exchange differences on translation of foreign operation               | 2,764            |          | 3,061          |
|  | <u>₩ 278,282</u> | <u>₩</u> | <u>239,973</u> |

(\*1) This amount reflects the adjustment of ₩(1,317) million reclassified to profit or loss for the year ended December 31, 2025, as a result of the disposal of investments in associates. In addition, it reflects the adjustment for ₩2,558 million reclassified to profit or loss during the year due to the disposal of investments in subsidiaries.

**15.5 Retained earnings**

Details of retained earnings as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025               |          | 2024             |
|--|--------------------|----------|------------------|
| Legal reserve  | ₩ 69,278           | ₩        | 62,085           |
| Business rationalization reserve                               | 1,511              |          | 1,511            |
| Improvement of financial structure reserve                     | 13,693             |          | 13,693           |
| Voluntary reserves and retained earnings before appropriations | 2,196,858          |          | 2,134,021        |
|  | <u>₩ 2,281,340</u> | <u>₩</u> | <u>2,211,310</u> |

**15.6 Earnings per share**

The Company's per share for the years ended December 31, 2025 and 2024, is computed as follows (number of shares, Korean won):

|   | 2025              |          | 2024            |
|---|-------------------|----------|-----------------|
| Profit for the year   | ₩ 141,270,784,941 | ₩        | 248,302,129,978 |
| Weighted-average number of ordinary shares outstanding (*1) | 35,967,902        |          | 35,967,902      |
| Basic earnings per share                                    | <u>₩ 3,928</u>    | <u>₩</u> | <u>6,903</u>    |

(\*1) The Company's weighted-average number of ordinary shares for the years ended December 31, 2025 and 2024, are computed as follows:

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**15.6 Earnings per share (cont'd)**

|   | 2025             |                                      | 2024             |                                      |
|---|------------------|--------------------------------------|------------------|--------------------------------------|
|   | Number of shares | Number of shares*<br>days of holding | Number of shares | Number of shares*<br>days of holding |
| Number of common shares issued                              | 38,760,000       | 14,147,400,000                       | 38,760,000       | 14,186,160,000                       |
| Treasury shares   | (2,792,098)      | (1,019,115,770)                      | (2,792,098)      | (1,021,907,868)                      |
| Number of ordinary shares outstanding                       | 35,967,902       | 13,128,284,230                       | 35,967,902       | 13,164,252,132                       |
| Days of holding   |                  | 365 days                             |                  | 366 days                             |
| Weighted-average number of ordinary shares outstanding (*2) |                  | 35,967,902                           |                  | 35,967,902                           |

(\*2) The weighted-average number of ordinary shares in circulation for the current term is the same as the number of shares deducted from the total number of issued shares because there has been no change in the number of treasury shares.

**15.7 Statements of appropriation of retained earnings**

**The statements of appropriation of retained earnings for the years ended December 31, 2025 and 2024, are as follows (Korean won):**

|   | 2025              | 2024              |
|---|-------------------|-------------------|
| Retained earnings before appropriations:                                |                   |                   |
| Unappropriated retained earnings carried forward from the prior year    | ₩ -               | ₩ -               |
| Remeasurement loss on defined benefit plans                             | (318,307,578)     | (1,145,173,618)   |
| Change in retained earnings in equity method                            | 1,013,914,007     | 1,463,494,017     |
| Profit for the year   | 141,270,784,941   | 248,302,129,978   |
|   | 141,966,391,370   | 248,620,450,377   |
| Reversal of voluntary reserves:   | -                 | -                 |
| Appropriation:  |                   |                   |
| Legal reserve   | 7,193,580,200     | 7,193,580,400     |
| Cash dividends (Note 16)  | 71,935,802,000    | 71,935,804,000    |
| Voluntary reserve   | 62,837,009,170    | 169,491,065,977   |
|   | (141,966,391,370) | (248,620,450,377) |
| Unappropriated retained earnings to be carried forward to the next year | -                 | -                 |

The statement of retained earnings before disposition for the year ended December 31, 2025, is scheduled to be approved at the annual shareholders' meeting to be held on March 26, 2026. The statement of retained earnings before disposition for the year ended December 31, 2024, was approved at the annual shareholders' meeting on March 28, 2025.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**16. DIVIDENDS:**

For the years ended December 31, 2025 and 2024, dividends paid are as follows (Korean won in millions, except per share amounts):

|                    | 2025 |        | 2024 |        |
|--------------------|------|--------|------|--------|
| Dividend per share | ₩    | 2,000  | ₩    | 1,200  |
| Dividends paid     | ₩    | 71,936 | ₩    | 43,161 |

As of December 31, 2025 and 2024, proposed dividends to be approved at the general meeting of shareholders consist of the following (Korean won in millions, except per share amounts):

|                    | 2025 |        | 2024 |        |
|--------------------|------|--------|------|--------|
| Dividend per share | ₩    | 2,000  | ₩    | 2,000  |
| Dividends paid     | ₩    | 71,936 | ₩    | 71,936 |

**17. SALES:**

Revenues from contracts with customers for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025     |                      |             | 2024     |                      |             |
|--|----------|----------------------|-------------|----------|----------------------|-------------|
|  | Resource | Trading / New growth | Total       | Resource | Trading / New growth | Total       |
| <b>Revenue recognized at a point of time</b> |          |                      |             |          |                      |             |
| Sales of goods                               | ₩ -      | ₩ 3,486,334          | ₩ 3,486,334 | ₩ 2,036  | ₩ 3,620,446          | ₩ 3,622,482 |
| Sales of services                            | -        | 22,811               | 22,811      | -        | 25,971               | 25,971      |
|  | -        | 3,509,145            | 3,509,145   | 2,036    | 3,646,417            | 3,648,453   |
| <b>Revenue recognized over period</b>        |          |                      |             |          |                      |             |
| Sales of services                            | -        | 1,440                | 1,440       | -        | 1,390                | 1,390       |
|  | ₩ -      | ₩ 3,510,585          | ₩ 3,510,585 | ₩ 2,036  | ₩ 3,647,807          | ₩ 3,649,843 |

Contract liabilities from contracts with customers for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                    | 2025 |    | 2024 |     |
|--------------------|------|----|------|-----|
| Trading/new growth | ₩    | 76 | ₩    | 315 |
|                    | ₩    | 76 | ₩    | 315 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**17. Sales (cont'd)**

Details of changes in contract liabilities arising from contracts with customers during December 31, 2025 and 2024, are as follows (Korean won in millions):

|                    | 2025      |          |           |             |
|--------------------|-----------|----------|-----------|-------------|
|                    | January 1 | Increase | Decrease  | December 31 |
| Resource           | ₩ -       | ₩ -      | ₩ -       | ₩ -         |
| Trading/new growth | 315       | 7,700    | (7,939)   | 76          |
|                    | ₩ 315     | ₩ 7,700  | ₩ (7,939) | ₩ 76        |

|                    | 2024      |          |            |             |
|--------------------|-----------|----------|------------|-------------|
|                    | January 1 | Increase | Decrease   | December 31 |
| Resource           | ₩ -       | ₩ 3      | ₩ (3)      | ₩ -         |
| Trading/new growth | 745       | 17,138   | (17,568)   | 315         |
|                    | ₩ 745     | ₩ 17,141 | ₩ (17,571) | ₩ 315       |

**18. SELLING AND ADMINISTRATIVE EXPENSES:**

Details of selling and administrative expenses for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                     | 2025      | 2024      |
|-------------------------------------|-----------|-----------|
| Salaries                            | ₩ 37,972  | ₩ 50,977  |
| Retirement benefits                 | 4,677     | 4,690     |
| Employee welfare benefits           | 11,203    | 11,271    |
| Travel                              | 5,293     | 5,141     |
| Rents                               | 876       | 870       |
| Depreciation                        | 6,798     | 6,570     |
| Insurance                           | 1,135     | 1,034     |
| Freight                             | 34,761    | 38,033    |
| Service                             | 40,982    | 39,195    |
| Loading and unloading               | 22        | 56        |
| Amortization                        | 1,261     | 1,287     |
| Bad debt expenses                   | (120)     | 660       |
| Sales commissions                   | 1,320     | 763       |
| Expenses for overseas branch office | 7,204     | 6,603     |
| Others                              | 10,172    | 8,403     |
|                                     | ₩ 163,556 | ₩ 175,553 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**19. EXPENSES CLASSIFIED BY NATURE:**

Expenses classified by nature for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025               |   | 2024             |
|---|--------------------|---|------------------|
| Cost of goods sales   | ₩ 3,375,432        | ₩ | 3,490,584        |
| Employee benefits (salaries and retirement benefits)                              | 42,649             |   | 55,667           |
| Distribution costs (custody charges, packaging costs and transportation expenses) | 35,701             |   | 39,168           |
| Depreciation and amortization   | 9,794              |   | 9,550            |
| Others  | 77,147             |   | 72,862           |
|   | <u>₩ 3,540,723</u> | ₩ | <u>3,667,831</u> |

**20. PENSION BENEFITS:**

The Company operates both defined contribution and defined benefit pension plans.

Details of employee benefit liabilities as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025             |   | 2024         |
|---|------------------|---|--------------|
| Present value of defined benefit obligation | ₩ 40,226         | ₩ | 37,031       |
| Fair value of plan assets (*1)              | (41,315)         |   | (37,983)     |
|   | <u>₩ (1,089)</u> | ₩ | <u>(952)</u> |

(\*1) The Company classified fair value of plan assets exceeding present value of defined benefit obligation as other non-current assets.

Expenses recognized in respect of the defined benefit plans for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                 | 2025           |   | 2024         |
|---------------------------------|----------------|---|--------------|
| Current service costs           | ₩ 4,236        | ₩ | 3,876        |
| Net interest costs              | (32)           |   | (57)         |
| Management costs of plan assets | 78             |   | 76           |
|                                 | <u>₩ 4,282</u> | ₩ | <u>3,895</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**20. Pension benefits (cont'd)**

Changes in the present value of defined benefit obligation for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025     |   | 2024    |
|---|----------|---|---------|
| As of January 1                             | ₩ 37,031 | ₩ | 33,811  |
| Current service costs                       | 4,236    |   | 3,876   |
| Interest costs                              | 1,162    |   | 1,260   |
| Benefits paid                               | (3,073)  |   | (3,080) |
| Transfer in (out)                           | 324      |   | (1,196) |
| Remeasurement loss on defined benefit plans | 546      |   | 2,360   |
| As of December 31                           | ₩ 40,226 | ₩ | 37,031  |

Changes in the fair value of plan assets for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025     |   | 2024    |
|---|----------|---|---------|
| As of January 1                             | ₩ 37,983 | ₩ | 35,255  |
| Return on plan assets                       | 1,194    |   | 1,318   |
| Contribution payable                        | 6,300    |   | 3,120   |
| Benefits paid                               | (4,011)  |   | (2,449) |
| Remeasurement loss on defined benefit plans | (73)     |   | 815     |
| Management costs of plan assets             | (78)     |   | (76)    |
| As of December 31                           | ₩ 41,315 | ₩ | 37,983  |

The key components of plan assets account for total fair value of plan assets as of December 31, 2025 and 2024, are as follows:

|                 | 2025    |  | 2024    |
|-----------------|---------|--|---------|
| Debt securities | 79.83%  |  | 77.60%  |
| Deposits        | 20.16%  |  | 22.37%  |
| Others          | 0.01%   |  | 0.03%   |
|                 | 100.00% |  | 100.00% |

The principal assumptions used in actuarial calculation as of December 31, 2025 and 2024, are as follows:

|                      | 2025  |  | 2024  |
|----------------------|-------|--|-------|
| Salary increase rate | 4.59% |  | 4.59% |
| Discount rate        | 3.66% |  | 3.35% |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**20. Pension benefits (cont'd)**

Sensitivity analyses on the principal assumptions used in actuarial calculation as of December 31, 2025, are as follows (Korean won in millions):

|                      | Defined benefit obligation |                |                |
|----------------------|----------------------------|----------------|----------------|
|                      | Dec. 31                    | Increase by 1% | Decrease by 1% |
| Salary increase rate | ₩ 40,226                   | ₩ 42,311       | ₩ 38,298       |
| Discount rate        | 40,226                     | 38,306         | 42,345         |

Expenses by operating a defined contribution plan for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                     | 2025  | 2024  |
|---------------------|-------|-------|
| Retirement benefits | ₩ 106 | ₩ 525 |

**21. FINANCE INCOME AND COSTS:**

**21.1 Finance income**

Details of finance income for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                       | 2025      | 2024      |
|---------------------------------------|-----------|-----------|
| Interest income                       | ₩ 11,938  | ₩ 14,898  |
| Gain on foreign currency transactions | 93,966    | 118,704   |
| Gain on foreign currency translation  | 9,461     | 20,622    |
| Gain on currency forwards             | 19,211    | 15,533    |
| Gain on currency swaps                | 317       | -         |
| Dividend income                       | 3,746     | 10,076    |
| Commission revenue from guarantees    | 726       | 849       |
|                                       | ₩ 139,365 | ₩ 180,682 |

**21.2 Finance costs**

Details of finance costs for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                                       | 2025      | 2024      |
|---------------------------------------|-----------|-----------|
| Interest expenses                     | ₩ 55,957  | ₩ 59,516  |
| Loss on foreign currency transactions | 90,798    | 103,167   |
| Loss on foreign currency translation  | 9,038     | 18,053    |
| Loss on currency forwards             | 22,110    | 34,374    |
| Loss on disposal of receivables       | 721       | 1,235     |
|                                       | ₩ 178,624 | ₩ 216,345 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**21.3 Share of profit (loss) of subsidiaries and associates, and related gain and loss**

Share of profit (loss) of subsidiaries and associates, and related gain and loss for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025     |                | 2024     |                |
|--|----------|----------------|----------|----------------|
| Share of profit of subsidiaries and associates                 | ₩        | 297,459        | ₩        | 500,003        |
| Share of loss of subsidiaries and associates                   |          | (53,867)       |          | (21,777)       |
| Gain on disposal of investments in subsidiaries and associates |          | 3,357          |          | 1,577          |
| Loss on disposal of investments in subsidiaries and associates |          | (1,433)        |          | -              |
| Impairment loss on investments in subsidiaries and associates  |          | (91,851)       |          | (111,791)      |
|  | <u>₩</u> | <u>153,665</u> | <u>₩</u> | <u>368,012</u> |

**21.4 Other non-operating income and expenses**

Other non-operating income and expenses for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions). Gain on disposal of property, plant and equipment gain on disposal of intangible assets.

|   | 2025     |              | 2024     |              |
|---|----------|--------------|----------|--------------|
| Other bad debt expenses                           | ₩        | (4,720)      | ₩        | (11,763)     |
| Gain on disposal of property, plant and equipment |          | 32           |          | 119          |
| Gain on disposal of intangible assets             |          | 106          |          | 10,632       |
| Gain on exemption from debt                       |          | 4,379        |          | -            |
| Others  |          | 4,582        |          | 3,410        |
|   | <u>₩</u> | <u>4,379</u> | <u>₩</u> | <u>2,398</u> |

**22. IMPAIRMENT LOSS ON ASSETS:**

Details of impairment loss and reversal of impairment loss recognized for the year ended December 31, 2025, are as follows (Korean won in millions):

|   | 2025                             |                                  |
|---|----------------------------------|----------------------------------|
|   | Investments in subsidiaries      | Investments in associates        |
| Segment                                       | Trading/new growth               | Trading/New growth               |
| Cause of impairment                           | Decline of business performances | Decline of business performances |
| Nature of asset                               | Glass manufacturing              | Start-up                         |
| Related region                                | Asia                             | Asia                             |
| Impairment loss (reversal of impairment loss) | ₩89,035                          | ₩2,816                           |
| Measuring of recoverable amount               | Value in use                     | fair value                       |
| Basis of estimates                            | Zero-Growth / DCF                | -                                |
| Discount rate                                 | 7.87%                            | -                                |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**22. Impairment loss on assets (Cont'd)**

Details of impairment loss and reversal of impairment loss recognized for the year ended December 31, 2024, are as follows (Korean won in millions):

|   | 2024                             |                                    |
|---|----------------------------------|------------------------------------|
|   | Investments in subsidiaries      | Investments in associates          |
| Segment                                       | Trading/new growth               | Trading/New growth                 |
| Cause of impairment                           | Decline of business performances | Held-for-Sale asset classification |
| Nature of asset                               | Glass manufacturing              | Steel processing                   |
| Related region                                | Asia                             | Asia                               |
| Impairment loss (reversal of impairment loss) | ₩110,184                         | ₩1,607                             |
| Measuring of recoverable amount               | Value in use                     | Net fair value                     |
| Basis of estimates                            | Zero-Growth / DCF                | -                                  |
| Discount rate                                 | 8.60%                            | -                                  |

**23. INCOME TAX:**

The major components of income tax expenses for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025       | 2024     |
|---|------------|----------|
| Current income tax  | ₩ 7,709    | ₩ 8,121  |
| Changes in deferred tax   | (90,277)   | 81,761   |
| Deferred tax related to items recognized in other comprehensive income (loss) | 29,944     | (21,427) |
| Income tax expenses reported in the separate statements of profit or loss     | ₩ (52,624) | ₩ 68,455 |

Reconciliations between income tax expenses at the effective income tax rate and profit before tax at the Korea statutory tax rate for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025       | 2024      |
|---|------------|-----------|
| Profit before income tax  | ₩ 88,647   | ₩ 316,757 |
| Statutory income tax (23.1% in 2024)                                | 20,015     | 73,262    |
| Adjustments:  |            |           |
| Effect of recognized deferred tax for temporary differences         | 6,073      | 41,838    |
| Current-year adjustment related to the income tax on previous years | (17,300)   | (482)     |
| Effect of non-deductible expenses for tax purposes                  | (50,434)   | (9,772)   |
| Foreign income tax directly charged                                 | 11,422     | 3,515     |
| Income tax on non-recirculation                                     | -          | (314)     |
| Others  | (22,400)   | (39,592)  |
| Income tax expenses   | ₩ (52,624) | ₩ 68,455  |
| Effective tax rate (income tax expenses/profit before income tax)   | -          | 21.61%    |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**23. Income tax (Cont'd)**

The major components of deferred income tax charged directly to equity for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025 |        | 2024 |          |
|--|------|--------|------|----------|
| Loss on valuation of FVOCI                     | ₩    | 8,399  | ₩    | 6,518    |
| Equity adjustments in equity method            |      | 21,407 |      | (28,754) |
| Exchange differences on translation of foreign |      | 37     |      | 444      |
| Loss on valuation of derivatives               |      | 101    |      | 365      |
|  | ₩    | 29,944 | ₩    | (21,427) |

Temporary differences and deferred taxes for the years ended December 31, 2025 and 2024, consist of the following (Korean won in millions):

|  | Accumulated temporary differences |             |               | Deferred tax assets (liabilities) |               |
|--|-----------------------------------|-------------|---------------|-----------------------------------|---------------|
|  | Jan. 1, 2025                      | Net changes | Dec. 31, 2025 | Dec. 31, 2024                     | Dec. 31, 2025 |
| <b>Deferred income tax due to temporary differences:</b> |                                   |             |               |                                   |               |
| Investments in subsidiaries and associates               | ₩ (1,084,931)                     | ₩ 124,508   | ₩ (960,423)   | ₩ (142,921)                       | ₩ (66,859)    |
| Provisions   | 100,020                           | (43,096)    | 56,924        | 11,487                            | 10,480        |
| Accrued expenses   | 20,956                            | (12,797)    | 8,159         | 4,841                             | 1,975         |
| Others   | 9,298                             | 6,263       | 15,561        | 1,341                             | 3,766         |
|  | (954,657)                         | 74,878      | (879,779)     | (125,252)                         | (50,638)      |
| Tax credits  |                                   |             |               | 27,218                            | 23,045        |
| Charged income tax due to carryforward of losses         | 68,553                            | 35,796      | 104,349       | 5,415                             | 25,252        |
| Charged income tax due to non-recirculation              |                                   |             |               | -                                 | -             |
|  |                                   |             |               | ₩ (92,619)                        | ₩ (2,341)     |

Temporary differences for which the deferred tax assets (liabilities) have not been recognized for the years ended December 31, 2025 and 2024, consist of the following (Korean won in millions):

|  | 2025 |         | 2024 |         |
|--|------|---------|------|---------|
| Investments in subsidiaries, associates or joint ventures (*1) | ₩    | 432,080 | ₩    | 362,939 |
| Guarantee commission and others                                |      | 13,617  |      | 53,782  |
|  | ₩    | 445,697 | ₩    | 416,721 |

(\*1) The Company did not recognize deferred tax assets (liabilities) related to temporary differences due to accumulated other comprehensive loss and accumulated losses from investments in subsidiaries or associates for which the Company has no plan for disposal in the foreseeable future.

Under the Global Minimum Tax law, which will be applied from 2024, the Group may be required to pay an additional tax on the difference between the effective tax rates of subsidiaries in each jurisdiction and the minimum tax rate of 15%. With respect to Russia, where certain constituent entities of the Group conduct their operations, the effective tax rate is expected to fall below 15% in 2025, resulting in current income tax expense of ₩ 91 million recognized in the current period.

The Group applies the temporary mandatory relief exception from recognizing and disclosing deferred tax assets and liabilities related to the global minimum tax law, and accordingly, no deferred tax assets or liabilities arising from the global minimum tax have been recognized, and no related information is disclosed.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. RELATED-PARTY DISCLOSURES:**

As of December 31, 2025, LX Holdings Corp., the largest shareholder of the Company, holds 27.83% of the Company's common shares and has significant influence over the Company.

Consolidated subsidiaries as of December 31, 2025, are as follows:

|   | Country of domicile | Equity ownership (%) |        |
|---|---------------------|----------------------|--------|
|   |                     | 2025                 | 2024   |
| <b>Corporations that have significant influence on the Company at the end of current year</b> |                     |                      |        |
| LX Holdings Corp., and its subsidiaries   |                     |                      |        |
| <b>Subsidiaries</b>   |                     |                      |        |
| LX International (America), Inc.  | USA                 | 100.00               | 100.00 |
| LHC Solar, LLC.   | USA                 | 100.00               | 100.00 |
| LX International Japan Ltd.   | Japan               | 100.00               | 100.00 |
| LX International (HK) Ltd.  | Hong Kong           | 100.00               | 100.00 |
| LX International (Singapore) Pte. Ltd.  | Singapore           | 100.00               | 100.00 |
| LX International (Deutschland) GmbH   | Germany             | 100.00               | 100.00 |
| LX International (Shanghai) Corp.   | China               | 100.00               | 100.00 |
| Bowen Investment (Australia) Pty Ltd.   | Australia           | 100.00               | 100.00 |
| PT. Batubara Global Energy  | Indonesia           | 100.00               | 100.00 |
| PT. Megaprima Persada   | Indonesia           | 75.00                | 75.00  |
| PT. Mega Global Energy  | Indonesia           | 100.00               | 100.00 |
| PT. Ganda Alam Makmur   | Indonesia           | 60.00                | 60.00  |
| LX International India Private Limited  | India               | 100.00               | 100.00 |
| PT. Green Global Lestari  | Indonesia           | 100.00               | 100.00 |
| PT. Parna Agromas   | Indonesia           | 100.00               | 100.00 |
| PT. Grand Utama Mandiri   | Indonesia           | 100.00               | 100.00 |
| PT. Tintin Boyok Sawit Makmur   | Indonesia           | 100.00               | 100.00 |
| PT. Tintin Boyok Sawit Makmur Dua   | Indonesia           | 100.00               | 100.00 |
| PT. Green Global Utama  | Indonesia           | 100.00               | 100.00 |
| PT. LX International Indonesia  | Indonesia           | 100.00               | 100.00 |
| PT. Binsar Natorang Energi  | Indonesia           | 95.00                | 95.00  |
| PT. Energy Metal Indonesia  | Indonesia           | 100.00               | 100.00 |
| PT. Global Investment Institusi   | Indonesia           | 99.99                | 99.99  |
| PT. SLX Global Healthcare (*1)  | Indonesia           | 0.00                 | 51.00  |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.   | China               | 100.00               | 100.00 |
| Philco Resources Limited  | Malaysia            | 60.00                | 60.00  |
| Resources Investment (H.K.) Limited   | Hong Kong           | 100.00               | 100.00 |
| LX International Yakutsk LLC.   | Russia              | 100.00               | 100.00 |
| Korea Carbon International Co., Ltd.  | Hong Kong           | 60.00                | 60.00  |
| Colmineral, S.A. de.C.V.  | Mexico              | 100.00               | 100.00 |
| Fertilizer Resources Investment Limited   | Hong Kong           | 100.00               | 100.00 |
| PT. Kinarya Prima Utama   | Indonesia           | 99.92                | 99.92  |
| PT. Energy Battery Indonesia  | Indonesia           | 99.99                | 99.99  |
| PT. Adhi Kartiko Pratama  | Indonesia           | 69.57                | 60.00  |
| PT. Terum Konawe Utara  | Indonesia           | 99.50                | 99.00  |
| Dangjin Tank Terminal Co., Ltd.   | Korea               | 100.00               | 100.00 |
| Eco & Logis Busan Co., Ltd.   | Korea               | 100.00               | 100.00 |
| Haiphong Steel Flower Electrical & Machinery Company Limited                                  | Vietnam             | 100.00               | 100.00 |
| Poseung Green Power Co., Ltd. (*2)  | Korea               | 100.00               | 100.00 |

(Continued)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

| Subsidiaries (cont'd) :  | Country of domicile | Equity ownership (%) |        |
|--|---------------------|----------------------|--------|
|  |                     | 2025                 | 2024   |
| Ordos Lezheng Trading Company Limited                              | China               | 100.00               | 100.00 |
| Lx Glas Co., Ltd. (formerly, Hanglas)                              | Korea               | 100.00               | 100.00 |
| PT Trans Global Terminal   | Indonesia           | 99.99                | 99.99  |
| LX Pantos Logistics Co., Ltd.                                      | Korea               | 75.90                | 75.90  |
| LX Pantos Busan Newport Logistics Center (*3)                      | Korea               | 100.00               | 100.00 |
| Helistar Air (*3)  | Korea               | 100.00               | 100.00 |
| Hanultari Co., Ltd. (*3)   | Korea               | 100.00               | 100.00 |
| LX Pantos Newport Eco Logistics Center CO., Ltd.(*3, *9)           | Korea               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (QINGDAO) CO., LTD. (*3)                       | China               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (SHANGHAI) CO., LTD. (*3)                      | China               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (NINGBO) CO., LTD. (*3)                        | China               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (SHENZHEN) CO., LTD. (*3)                      | China               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (HONGKONG) CO., LTD. (*3)                      | Hong Kong           | 100.00               | 100.00 |
| LX PANTOS LOGISTICS TAIWAN CO., LTD. (*3)                          | Taiwan              | 100.00               | 100.00 |
| PT. LX PANTOS INDONESIA (*3)                                       | Indonesia           | 100.00               | 100.00 |
| PT. LX PANTOS JAKARTA (*3)   | Indonesia           | 100.00               | 100.00 |
| LX PANTOS SINGAPORE PTE. LTD. (*3)                                 | Singapore           | 100.00               | 100.00 |
| LX PANTOS (THAILAND) CO., LTD. (*3)                                | Thailand            | 100.00               | 100.00 |
| LX PANTOS MALAYSIA SDN. BHD. (*3)                                  | Malaysia            | 100.00               | 100.00 |
| LX PANTOS INDIA PVT. LTD. (*3)                                     | India               | 100.00               | 100.00 |
| LX PANTOS (CAMBODIA) CO., LTD. (*3)                                | Cambodia            | 100.00               | 100.00 |
| LX PANTOS VIETNAM CO., LTD. (*3)                                   | Vietnam             | 100.00               | 100.00 |
| LX PANTOS AUSTRALIA PTY LTD. (*3)                                  | Australia           | 100.00               | 100.00 |
| LX PANTOS PHILIPPINES, INC. (*3)                                   | Philippines         | 100.00               | 100.00 |
| LX PANTOS HOLDINGS (THAILAND) CO., LTD. (*3)                       | Thailand            | 48.50                | 48.50  |
| LX PANTOS U.K. LTD. (*3)   | United Kingdom      | 100.00               | 100.00 |
| LX PANTOS NETHERLANDS B.V. (*3)                                    | Netherlands         | 100.00               | 100.00 |
| LX PANTOS FRANCE S.A.R.L. (*3)                                     | France              | 100.00               | 100.00 |
| LX PANTOS POLAND SP. Z O. O. (*3)                                  | Poland              | 100.00               | 100.00 |
| LX PANTOS GERMANY GMBH (*3)  | Germany             | 100.00               | 100.00 |
| LX PANTOS SPAIN, SLU (*3)  | Spain               | 100.00               | 100.00 |
| LX PANTOS TURKEY LOJISTIK VE TICARET LTD. STI. (*3)                | Turkey              | 100.00               | 100.00 |
| LX PANTOS SWEDEN AB. (*3)  | Sweden              | 100.00               | 100.00 |
| LX PANTOS MEXICO S.A. DE C.V. (*3)                                 | Mexico              | 100.00               | 100.00 |
| LX PANTOS LOGISTICA DO BRASIL LTDA. (*3)                           | Brazil              | 100.00               | 100.00 |
| LX PANTOS COLOMBIA S.A.S (*3)                                      | Columbia            | 100.00               | 100.00 |
| LX PANTOS CHILE SPA (*3)   | Chile               | 100.00               | 100.00 |
| LX PANTOS PANAMA, S.A (*3)   | Panama              | 100.00               | 100.00 |
| LX PANTOS ARGENTINA S.A. (formerly, Pantos Logistics AR S.A.) (*3) | Argentina           | 100.00               | 100.00 |
| LX PANTOS SOLUCOES LOGISTICAS DO BRASIL LTDA. (*3)                 | Brazil              | 100.00               | 100.00 |
| LX PANTOS RUS LLC (formerly, FNS CIS LLC) (*3)                     | Russia              | 100.00               | 100.00 |
| PANTOS LOGISTICS KAZAKHSTAN LTD. (*3)                              | Kazakhstan          | 100.00               | 100.00 |
| PANTOS LOGISTICS UKRAINE LTD. (*3)                                 | Ukraine             | 100.00               | 100.00 |
| PANTOS LOGISTICS L.L.C. (DUBAI) (*3)                               | Dubai               | 49.00                | 49.00  |
| LX PANTOS ARABIA CO., LTD. (*3)                                    | Saudi Arabia        | 100.00               | 100.00 |
| LX PANTOS JAPAN INC. (*3)  | Japan               | 100.00               | 100.00 |
| LX PANTOS LOGISTICS (BEIJING) CO., LTD. (*3)                       | China               | 100.00               | 100.00 |
| LX PANTOS SOLUTIONS INDIA PVT. LTD. (*3)                           | India               | 100.00               | 100.00 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

|   | Country of domicile | Equity ownership (%) |        |
|---|---------------------|----------------------|--------|
|   |                     | 2025                 | 2024   |
| <b>Subsidiaries (cont'd) :</b>                                    |                     |                      |        |
| LX PANTOS AMERICA, INC. (*3)                                      | USA                 | 100.00               | 100.00 |
| LX PANTOS EGYPT, S.A.E. (formerly, Hi Logistics Egypt S.A.E) (*3) | Egypt               | 99.63                | 99.63  |
| LX PANTOS HUNGARY KFT. (*3)                                       | Hungary             | 100.00               | 100.00 |
| LPIC TN LLC (*3)  | USA                 | 100.00               | 100.00 |
| PT Pelayaran Putra Lintas Mandiritama (*3)                        | Indonesia           | 51.04                | 51.04  |
| Pantos Business Services (Tianjin) Co., Ltd. (*3, 8)              | China               | 100.00               | 0.00   |
| StarLinks LLC (*3, 8)   | USA                 | 100.00               | 0.00   |
| NA Inland Ventures LLC (*3, 8, 9)                                 | USA                 | 100.00               | 0.00   |
| BLUELINKS LLC (*3, 8, 9)  | USA                 | 100.00               | 0.00   |
| BLUELINKS 342 LLC (*3, 8)   | USA                 | 100.00               | 0.00   |
| BLUELINKS 128 LLC (*3, 8)   | USA                 | 100.00               | 0.00   |
| INSTALLX, INC. (*3, 8)  | USA                 | 51.00                | 0.00   |
| SHANDONG FUTURELINKS CO., LTD. (*3, 8)                            | China               | 60.00                | 0.00   |
| BSG Partners Co., Ltd. (*10)                                      | Korea               | 70.00                | 25.28  |
| BSG AMERICA (*11)   | USA                 | 100.00               | 0.00   |
| <b>Associates:</b>  |                     |                      |        |
| Biofriends INC. (*4)  | Korea               | 10.43                | 10.44  |
| ATEAM VENTURES Co., Ltd. (*4)                                     | Korea               | 10.91                | 10.91  |
| LX Ventures New Technology Business Venture Capital Fund          | Korea               | 26.67                | 26.67  |
| POSCO-IPPC (India Pune Processing Center)                         | India               | -                    | 35.00  |
| POSCO-PWPC (Poland Wroclaw Processing Center)                     | Poland              | 40.00                | 40.00  |
| GS HP Sunflower Village Int'l Corp.                               | Vietnam             | 30.00                | 30.00  |
| Musandam Power Company SAOC (*4)                                  | Oman                | 18.00                | 18.00  |
| Gansu Wuwei Cogeneration Power Plant                              | China               | 30.00                | 30.00  |
| KM Resources Ltd.(Rapu-Rapu) (*5)                                 | Malaysia            | 70.00                | 70.00  |
| Inner Mongolia Diamond Coal Industry Co., Ltd.                    | China               | 30.00                | 30.00  |
| Shaanxi BBM Biomass Power Generation Co., Ltd.                    | China               | 30.00                | 30.00  |
| Inner Mongolia BDS Chemical Co., Ltd.                             | China               | 29.00                | 29.00  |
| Cypress Tree FP N Core Fund                                       | Korea               | 39.52                | 39.52  |
| BOXLINKS LLC(*5, 7)   | USA                 | 51.00                | 100.00 |
| <b>Other related Parties (*6):</b>                                |                     |                      |        |
| LX Hausys Co., Ltd. and its subsidiaries                          | Korea and others    | -                    | -      |
| LX Semicon Co., Ltd. and its subsidiaries                         | Korea and others    | -                    | -      |
| LX MMA Co., Ltd.  | Korea and others    | -                    | -      |
| (Concluded)   |                     |                      |        |

(\*1) For the year ended December 31, 2025, the companies were disposed of.

(\*2) Poseung Green Power Co., Ltd. issued preferred stocks with voting rights in addition to common shares, and the Company's voting rights are 69.97% of the total number of voting shares.

(\*3) As of December 31, 2025, the entities are subsidiaries of LX Pantos Logistics Co., Ltd., and the equity ownerships presented above are simple sums of equity interests held by LX Pantos Logistics Co., Ltd. and its subsidiaries.

(\*4) The entities were classified as associates even though the Company holds less than 20% equity ownership. As the Company has right to elect the directors of the entities and its executives participate in their management as directors, the Company considered that it has significant influence over these entities.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

(\*5) It was classified as an associate company because it is difficult to determine that the consolidated company has control over it, given that significant decisions are being made unanimously.

(\*6) The companies are not related parties as defined in Paragraph 9 of K-IFRS 1024 (Related-party disclosures). However, they are classified as related parties because the Securities and Futures Commission has determined that companies within a large enterprise group are considered related parties according to the substantive relationship defined in paragraph 10 of K-IFRS 1024.

(\*7) For the year ended December 31, 2025, due to a change in the scope of consolidation, the entity was reclassified from a subsidiary to a joint venture.

(\*8) For the year ended December 31, 2025, LX International established and acquired PANTOS BUSINESS SERVICES (TIANJIN) CO., LTD., STARLINKS LLC, NA INLAND VENTURES LLC, BLUELINKS LLC, BLUELINKS 342 LLC, BLUELINKS 128 LLC, INSTALLX, INC. and SHANDONG FUTURELINKS CO., LTD.

(\*9) The subsidiaries have issued non-voting preferred shares (NA Inland Ventures LLC: 10%, BLUELINKS LLC: 49%, LX Pantos New Port Eco Logistics Center Co., Ltd.: 10%).

(\*10) For the year ended December 31, 2025, the Company acquired an additional 44.72% equity ownership, and the entity was included as a consolidated subsidiary of the Company.

(\*11) For the year ended December 31, 2025, the entity was identified as a related party as it is a subsidiary of BSG Partners Co., Ltd., and the equity ownership represents the aggregate of equity ownership held by BSG Partners Co., Ltd. and its subsidiaries.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

Transactions with the related parties for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025             |                |               | 2024             |                |               |
|--|------------------|----------------|---------------|------------------|----------------|---------------|
|  | Sales            | Purchase       | Service       | Sales            | Purchase       | Service       |
| <b>Corporations that have significant influence on the group at the end of current year:</b> |                  |                |               |                  |                |               |
| LX Holdings Corp. and its subsidiaries   | ₩ -              | ₩ -            | ₩ 6,471       | ₩ -              | ₩ -            | ₩ 5,105       |
| <b>Subsidiaries:</b>   |                  |                |               |                  |                |               |
| LX International (America), Inc.   | 583,134          | 81             | -             | 397,893          | 541            | -             |
| LX International Japan Ltd.  | 166              | (119)          | -             | 3                | (373)          | 2             |
| LX International (HK) Ltd.   | 234              | 550            | 19            | 2                | 2,143          | (1)           |
| LX International (Singapore) Pte. Ltd.   | 839,177          | 28,155         | 157           | 1,075,676        | 16,505         | 72            |
| LX International (Deutschland) GmbH  | -                | -              | 801           | -                | -              | 681           |
| LX International (Shanghai) Corp.  | -                | -              | 3,115         | -                | 3              | 2,590         |
| Bowen Investment (Australia) Pty Ltd.  | 15               | -              | -             | 57               | -              | -             |
| PT. Batubara Global Energy   | 59               | 717,005        | 6             | 162              | 850,371        | (1,296)       |
| PT. Ganda Alam Makmur  | 363              | -              | -             | 400              | -              | 20            |
| LX International India Private Limited   | -                | -              | 5,119         | -                | -              | 3,948         |
| PT. Green Global Lestari   | 604              | -              | -             | 2,280            | -              | -             |
| PT. Green Global Utama   | 80               | -              | -             | 34               | -              | -             |
| PT. LX International Indonesia   | 51               | -              | -             | 753              | -              | -             |
| PT. Energy Metal Indonesia   | 23               | -              | 43            | 26               | -              | -             |
| PT. Global Investment Institusi  | 1                | -              | 2,606         | 2                | -              | 5,797         |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.  | 24               | 2,065          | 32            | 32               | -              | -             |
| LX International Yakutsk LLC.  | 1,153            | -              | -             | 1,930            | -              | -             |
| Dangjin Tank Terminal Co., Ltd.  | 159              | -              | -             | 160              | -              | -             |
| Haiphong Steel Flower Electrical & Machinery Company Limited                                 | 2,656            | -              | 20            | 7,246            | -              | 83            |
| Philco Resources Limited   | 228              | -              | -             | 272              | -              | -             |
| LX Pantos Logistics Co., Ltd.  | 6                | 17,396         | 21,724        | 82               | 26,390         | 28,580        |
| PT. Mega Global Energy   | -                | -              | -             | -                | -              | 89            |
| Poseung Green Power Co., Ltd.  | 1,248            | -              | -             | 1,532            | -              | -             |
| Lx Glas Co., Ltd.  | 15,141           | -              | 4             | 17,975           | -              | 323           |
| Eco & Logis Busan Co., Ltd.  | 129              | -              | -             | 129              | -              | -             |
| BSG Partners Co., Ltd.   | -                | -              | 7,097         | -                | -              | 905           |
| PT. SLX Global Healthcare  | -                | -              | -             | 3                | -              | -             |
| PT. Adhi Kartiko Pratama.  | 33               | -              | -             | 21               | -              | -             |
|  | <u>1,444,684</u> | <u>765,133</u> | <u>40,743</u> | <u>1,506,670</u> | <u>895,580</u> | <u>41,793</u> |
| <b>Associates:</b>   |                  |                |               |                  |                |               |
| Biofriends INC.  | 2,227            | -              | -             | 1,528            | -              | -             |
| Musandam Power Company SAOC  | 49               | -              | -             | 10               | -              | -             |
|  | <u>2,276</u>     | <u>-</u>       | <u>-</u>      | <u>1,538</u>     | <u>-</u>       | <u>-</u>      |
| <b>Other related Parties:</b>  |                  |                |               |                  |                |               |
| LX Semicon Co., Ltd. and its subsidiaries  | -                | -              | -             | 4                | -              | -             |
| LX Hausys Co., Ltd. and its subsidiaries   | 1,453            | 64             | 178           | 1,508            | -              | 144           |
| LX MMA Co., Ltd.   | 9,159            | 1              | -             | 7,109            | -              | -             |
|  | <u>10,612</u>    | <u>65</u>      | <u>178</u>    | <u>8,621</u>     | <u>-</u>       | <u>144</u>    |
|  | ₩ 1,457,572      | ₩ 765,198      | ₩ 47,392      | ₩ 1,516,829      | ₩ 895,580      | ₩ 47,042      |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

Receivables and payables from transactions with the related parties as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025                |          |                   |                  |                |
|--|---------------------|----------|-------------------|------------------|----------------|
|  | Accounts receivable | Loans    | Other receivables | Accounts payable | Other payables |
| <b>Corporations that have significant influence on the group at the end of current year:</b> |                     |          |                   |                  |                |
| LX Holdings Corp. and its subsidiaries   | ₩ -                 | ₩ -      | ₩ 2,912           | ₩ -              | ₩ (57)         |
| <b>Subsidiaries:</b>   |                     |          |                   |                  |                |
| LX International (America), Inc.   | 121,065             | -        | 70                | -                | 630            |
| LX International Japan Ltd.  | -                   | -        | 64                | -                | -              |
| LX International (HK) Ltd.   | -                   | -        | 9                 | -                | -              |
| LX International (Singapore) Pte. Ltd.   | 129,721             | -        | 32                | 13,625           | 160            |
| LX International (Deutschland) GmbH  | -                   | -        | 24                | -                | -              |
| LX International (Shanghai) Corp.  | -                   | -        | 17                | -                | 5              |
| PT. Adhi Kartiko Pratamav  | -                   | -        | 54                | -                | -              |
| Haiphong Steel Flower Electrical & Machinery Company Limited                                 | 537                 | -        | 40                | -                | -              |
| Bowen Investment (Australia) Pty Ltd.  | -                   | -        | 2                 | -                | -              |
| PT. Batubara Global Energy   | -                   | -        | 68                | 41,605           | 1              |
| PT. Mega Global Energy   | -                   | -        | 109               | -                | -              |
| PT. Megaprima Persada  | -                   | -        | 11                | -                | -              |
| PT. Ganda Alam Makmur  | -                   | -        | 604               | -                | -              |
| LX International India Private Limited   | -                   | -        | 227               | -                | -              |
| PT. Global Investment Institusi  | -                   | -        | 33                | -                | 568            |
| PT. Kinarya Prima Utamav   | -                   | -        | -                 | -                | -              |
| PT. Green Global Lestari   | -                   | 9,327    | 1,455             | -                | -              |
| PT. Parna Agromas  | -                   | -        | 15                | -                | -              |
| PT. Grand Utama Mandiri  | -                   | -        | 20                | -                | -              |
| PT. Tintin Boyok Sawit Makmur  | -                   | -        | 17                | -                | -              |
| PT. Tintin Boyok Sawit Makmur Dua  | -                   | -        | 4                 | -                | -              |
| PT. Green Global Utama   | -                   | -        | 49                | -                | -              |
| PT. LX International Indonesia   | -                   | -        | 155               | -                | -              |
| PT. Energy Metal Indonesia   | -                   | -        | 64                | -                | 36             |
| PT. Binsar Natorang Energi   | -                   | -        | 14                | -                | -              |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.  | -                   | -        | 19                | 373              | -              |
| LX International Yakutsk LLC.  | -                   | 13,617   | 7,269             | -                | 4              |
| Dangjin Tank Terminal Co., Ltd.  | -                   | 2,194    | 2,042             | -                | -              |
| LX Pantos Logistics Co., Ltd.  | -                   | -        | 9                 | -                | 2,712          |
| BSG Partners Co., Ltd.   | -                   | -        | -                 | -                | 3,633          |
| Poseung Green Power Co., Ltd.  | 1,205               | -        | 9                 | -                | -              |
| Philco Resources Limited   | -                   | 5,190    | 696               | -                | -              |
|  | ₩ 252,528           | ₩ 30,328 | ₩ 13,201          | ₩ 55,603         | ₩ 7,749        |

(Continued)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

|   | 2025                   |                 |                      |                     |                   |
|---|------------------------|-----------------|----------------------|---------------------|-------------------|
|   | Accounts<br>receivable | Loans           | Other<br>receivables | Accounts<br>payable | Other<br>payables |
| <b>Associates:</b>                            |                        |                 |                      |                     |                   |
| POSCO-IPPC (India Pune Processing Center)     | ₩                      | -               | ₩                    | -                   | ₩                 |
| POSCO-PWPC (Poland Wroclaw Processing Center) | -                      | -               | -                    | -                   | -                 |
| KM Resources Ltd. (Rapu-Rapu)                 | -                      | 3,369           | -                    | -                   | -                 |
| Gansu Wuwei Cogeneration Power Plant          | -                      | -               | -                    | -                   | -                 |
| GS HP Sunflower Village Int'l Corp.           | -                      | -               | -                    | -                   | -                 |
| Biofriends INC.                               | 87                     | -               | -                    | -                   | -                 |
| BSG Partners Co., Ltd.                        | -                      | -               | -                    | -                   | -                 |
| Musandam Power Company SAOC                   | -                      | -               | -                    | -                   | -                 |
|   | <u>87</u>              | <u>3,369</u>    | <u>-</u>             | <u>-</u>            | <u>-</u>          |
| <b>Other related Parties:</b>                 |                        |                 |                      |                     |                   |
| LX Hausys Co., Ltd. and its subsidiaries      | -                      | -               | -                    | -                   | (2)               |
| LX Semicon Co., Ltd. and its subsidiaries     | -                      | -               | -                    | -                   | -                 |
| LX MMA Co., Ltd.                              | 705                    | -               | -                    | -                   | -                 |
|   | <u>705</u>             | <u>-</u>        | <u>-</u>             | <u>-</u>            | <u>(2)</u>        |
|   | <u>₩ 253,320</u>       | <u>₩ 33,697</u> | <u>₩ 16,113</u>      | <u>₩ 55,603</u>     | <u>₩ 7,690</u>    |

(Concluded)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

|  | 2024                |               |                   |                  |                |     |
|--|---------------------|---------------|-------------------|------------------|----------------|-----|
|  | Accounts receivable | Loans         | Other receivables | Accounts payable | Other payables |     |
| <b>Corporations that have significant influence on the group at the end of current year:</b> |                     |               |                   |                  |                |     |
| LX Holdings Corp. and its subsidiaries   | ₩                   | -             | ₩                 | -                | ₩              | 296 |
| <b>Subsidiaries:</b>   |                     |               |                   |                  |                |     |
| LX International (America), Inc.   | 71,437              | -             | 36                | -                | 151            |     |
| LX International Japan Ltd.  | -                   | -             | 101               | -                | -              |     |
| LX International (HK) Ltd.   | -                   | -             | 71                | 911              | -              |     |
| LX International (Singapore) Pte. Ltd.   | 158,839             | -             | 84                | 17               | 338            |     |
| LX International (Deutschland) GmbH  | -                   | -             | 20                | -                | -              |     |
| LX International (Shanghai) Corp.  | -                   | -             | 28                | -                | -              |     |
| Yantai LX international VMI Co., LTD.  | -                   | -             | -                 | -                | -              |     |
| Haiphong Steel Flower Electrical & Machinery Company Limited                                 | 1,550               | -             | 29                | -                | 5              |     |
| Bowen Investment (Australia) Pty Ltd.  | -                   | -             | 26                | -                | -              |     |
| PT. Batubara Global Energy   | -                   | -             | 1,764             | 69,606           | 871            |     |
| PT. Mega Global Energy   | -                   | -             | 38                | -                | -              |     |
| PT. Megaprima Persada  | -                   | -             | 8                 | -                | -              |     |
| PT. Ganda Alam Makmur  | -                   | -             | 311               | -                | -              |     |
| LX International India Private Limited   | -                   | -             | 130               | -                | -              |     |
| PT. Global Investment Institusi  | -                   | -             | 49                | -                | 1,335          |     |
| PT. SLX Global Healthcare  | -                   | -             | 8                 | -                | -              |     |
| PT. Green Global Lestari   | -                   | 8,085         | 850               | -                | -              |     |
| PT. Parna Agromas  | -                   | -             | 38                | -                | 4              |     |
| PT. Grand Utama Mandiri  | -                   | -             | 11                | -                | -              |     |
| PT. Tintin Boyok Sawit Makmur  | -                   | -             | 41                | -                | 1              |     |
| PT. Tintin Boyok Sawit Makmur Dua  | -                   | -             | 9                 | -                | -              |     |
| PT. Green Global Utama   | -                   | -             | 41                | -                | 1              |     |
| PT. LX International Indonesia   | -                   | 735           | 96                | -                | -              |     |
| PT. Energy Metal Indonesia   | -                   | -             | 28                | -                | -              |     |
| PT. Binsar Natorang Energi   | -                   | -             | 35                | -                | -              |     |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.  | -                   | -             | 29                | -                | -              |     |
| LX International Yakutsk LLC.  | -                   | 13,950        | 6,131             | -                | 4              |     |
| Dangjin Tank Terminal Co., Ltd.  | -                   | 2,205         | 2,043             | -                | 20             |     |
| Eco & Logis Busan Co., Ltd.  | -                   | -             | -                 | -                | -              |     |
| LX Pantos Logistics Co., Ltd.  | -                   | -             | 54                | -                | 2,402          |     |
| LX Pantos Busan Newport Logistics Center   | -                   | -             | -                 | -                | -              |     |
| LX PANTOS LOGISTICS (SHENZHEN) CO., LTD.   | -                   | -             | -                 | -                | -              |     |
| Lx Glas Co., Ltd.  | 1,785               | -             | 68                | -                | -              |     |
| Poseung Green Power Co., Ltd.  | 628                 | -             | 201               | -                | -              |     |
| Philco Resources Limited   | -                   | 5,317         | 469               | -                | -              |     |
| PT. Adhi Kartiko Pratama   | -                   | 1,470         | 61                | -                | -              |     |
|  | <u>234,239</u>      | <u>31,762</u> | <u>12,908</u>     | <u>70,534</u>    | <u>5,132</u>   |     |

(Continued)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

|   | 2024                   |                 |                      |                     |                   |
|---|------------------------|-----------------|----------------------|---------------------|-------------------|
|   | Accounts<br>receivable | Loans           | Other<br>receivables | Accounts<br>payable | Other<br>payables |
| <b>Associates:</b>                            |                        |                 |                      |                     |                   |
| POSCO-IPPC (India Pune Processing Center)     | ₩                      | -               | ₩                    | -                   | ₩                 |
| POSCO-PWPC (Poland Wroclaw Processing Center) | -                      | -               | -                    | -                   | -                 |
| KM Resources Ltd. (Rapu-Rapu)                 | -                      | 3,452           | -                    | -                   | -                 |
| Gansu Wuwei Cogeneration Power Plant          | -                      | -               | -                    | -                   | -                 |
| GS HP Sunflower Village Int'l Corp.           | -                      | -               | 74                   | -                   | -                 |
| Biofriends INC.                               | 166                    | -               | -                    | -                   | -                 |
| BSG Partners Co., Ltd.                        | -                      | -               | -                    | -                   | 204               |
| Musandam Power Company SAOC                   | -                      | -               | -                    | -                   | -                 |
|   | <u>166</u>             | <u>3,452</u>    | <u>74</u>            | <u>-</u>            | <u>206</u>        |
| <b>Other related Parties:</b>                 |                        |                 |                      |                     |                   |
| LX Hausys Co., Ltd. and its subsidiaries      | -                      | -               | -                    | -                   | 6                 |
| LX Semicon Co., Ltd. and its subsidiaries     | -                      | -               | -                    | -                   | -                 |
| LX MMA Co., Ltd.                              | 1,883                  | -               | -                    | -                   | -                 |
|   | <u>1,883</u>           | <u>-</u>        | <u>-</u>             | <u>-</u>            | <u>6</u>          |
|   | <u>₩ 236,288</u>       | <u>₩ 35,214</u> | <u>₩ 12,982</u>      | <u>₩ 70,534</u>     | <u>₩ 5,640</u>    |

(Concluded)

The Company recognized allowance for doubtful accounts of ₩23,424 million as of December 31, 2025 (2024: ₩24,370 million) for the trade and other accounts receivable from the related parties.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

Transfers under finance arrangements with the related parties for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025             |                     |   |                             |         |            |
|--|------------------|---------------------|---|-----------------------------|---------|------------|
|  | Dividend payment | Receipt of dividend | Investments in cash (capital reduction) | Collection of an investment | Loans   | Collection |
| <b>Corporations that have significant influence on the group at the end of current year:</b> |                  |                     |   |                             |         |            |
| LX Holdings Corp.  | ₩ 19,143         | ₩ -                 | ₩ -                                     | ₩ -                         | ₩ -     | ₩ -        |
| <b>Subsidiaries:</b>   |                  |                     |   |                             |         |            |
| Bowen Investment (Australia) Pty Ltd   | -                | 57,252              | -                                       | -                           | -       | -          |
| PT. Binsar Natorang Energi   | -                | 2,659               | -                                       | -                           | -       | -          |
| PT. Batubara Global Energy   | -                | 27,589              | -                                       | -                           | -       | -          |
| PT. Green Global Lestari   | -                | 16,237              | -                                       | -                           | 1,364   | -          |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.  | -                | 3,190               | -                                       | -                           | -       | -          |
| PT. Ganda Alam Makmur  | -                | 38,047              | -                                       | -                           | -       | -          |
| Dangjin Tank Terminal Co., Ltd.  | -                | -                   | 1,600                                   | -                           | -       | 11         |
| LX Pantos Logistics Co., Ltd.  | -                | 46,527              | -                                       | -                           | -       | -          |
| Resources Investment (H.K.) Limited  | -                | 117,375             | -                                       | -                           | -       | -          |
| Fertilizer Resources Investment Limited  | -                | 42,306              | -                                       | -                           | -       | -          |
| PT. LX International Indonesia   | -                | -                   | -                                       | -                           | -       | 731        |
| Haiphong Steel Flower Electrical & Machinery Company Limited                                 | -                | 1,471               | -                                       | -                           | -       | -          |
| Eco & Logis Busan Co., Ltd.  | -                | -                   | 1,400                                   | -                           | -       | -          |
| BSG Partners Co., Ltd. (*1)  | -                | -                   | -                                       | -                           | -       | -          |
| PT. Adhi Kartiko Pratama   | -                | -                   | -                                       | -                           | -       | 1,470      |
|  | -                | 352,653             | 3,000                                   | -                           | 1,364   | 2,212      |
| <b>Associates:</b>   |                  |                     |   |                             |         |            |
| Musandam Power Company SAOC  | -                | 1,294               | -                                       | -                           | -       | -          |
| Gansu Wuwei Cogeneration Power Plant   | -                | 1,694               | -                                       | -                           | -       | -          |
| LX Ventures New Technology Investment Fund 1   | -                | -                   | 2,400                                   | -                           | -       | -          |
|  | -                | 2,988               | 2,400                                   | -                           | -       | -          |
|  | ₩ 19,143         | ₩ 355,641           | ₩ 5,400                                 | ₩ -                         | ₩ 1,364 | ₩ 2,212    |

(\*1) For the year ended December 31, 2025, due to the Company's additional acquisition of equity interests in BSG Partners Co., Ltd. amounting to ₩59,909 million, the entity was reclassified from a subsidiary to a consolidated subsidiary of the Company.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**24. Related-party disclosures (cont'd)**

|  | 2024             |                     |   |                             |         |            |
|--|------------------|---------------------|---|-----------------------------|---------|------------|
|  | Dividend payment | Receipt of dividend | Investments in cash (capital reduction) | Collection of an investment | Loans   | Collection |
| <b>Corporations that have significant influence on the group at the end of current year:</b> |                  |                     |   |                             |         |            |
| LX Holdings Corp.  | ₩ 11,486         | ₩ -                 | ₩ -                                     | ₩ -                         | ₩ -     | ₩ -        |
| <b>Subsidiaries:</b>   |                  |                     |   |                             |         |            |
| PT. Binsar Natorang Energi   | -                | 5,333               | -                                       | -                           | -       | -          |
| PT. LX International Indonesia   | -                | -                   | -                                       | -                           | -       | 8,938      |
| PT. Green Global Lestari   | -                | -                   | -                                       | -                           | -       | 27,504     |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd.  | -                | 2,107               | -                                       | -                           | -       | -          |
| PT. Ganda Alam Makmur  | -                | 20,784              | -                                       | -                           | -       | -          |
| Dangjin Tank Terminal Co., Ltd.  | -                | -                   | 2,000                                   | -                           | -       | -          |
| LX Pantos Logistics Co., Ltd.(*1)  | -                | 19,584              | -                                       | -                           | -       | -          |
| Resources Investment (H.K.) Limited  | -                | 80,446              | -                                       | -                           | -       | -          |
| Fertilizer Resources Investment Limited  | -                | 20,756              | -                                       | -                           | -       | -          |
| Eco & Logis Busan Co., Ltd.  | -                | -                   | 1,200                                   | -                           | -       | -          |
| PT. Kinarya Prima Utama  | -                | -                   | 112                                     | -                           | -       | -          |
| PT. Energy Battery Indonesia   | -                | -                   | 135,751                                 | -                           | -       | -          |
| PT. Trans Global Terminal  | -                | -                   | 859                                     | -                           | -       | -          |
| PT. Adhi Kartiko Pratama   | -                | -                   | -                                       | -                           | 1,347   | -          |
|  | -                | 149,010             | 139,922                                 | -                           | 1,347   | 36,442     |
| <b>Associates:</b>   |                  |                     |   |                             |         |            |
| GS HP Sunflower Village Int'l Corp.  | -                | 69                  | -                                       | -                           | -       | -          |
| Musandam Power Company SAOC  | -                | 1,210               | -                                       | -                           | -       | -          |
| Gansu Wuwei Cogeneration Power Plant   | -                | 2,004               | -                                       | -                           | -       | -          |
|  | -                | 3,283               | -                                       | -                           | -       | -          |
|  | ₩ 11,486         | ₩ 152,293           | ₩ 139,922                               | ₩ -                         | ₩ 1,347 | ₩ 36,442   |

(\*1) The Company acquired additional non-controlling interests in LX Pantos for ₩244,020 million, increasing its ownership interest to 75.9%.

Details of compensation for key management personnel are as follows (Korean won in millions):

|                              | 2025    | 2024    |
|------------------------------|---------|---------|
| Short-term employee benefits | ₩ 9,230 | ₩ 8,328 |
| Retirement benefits          | 622     | 733     |
|                              | ₩ 9,852 | ₩ 9,061 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**25. COMMITMENTS AND CONTINGENCIES:**

**25.1 Guarantees provided**

Guarantees provided by the Company as of December 31, 2025, are as follows (foreign currencies in thousands):

|   | Financial institution                  | Object        | Currency   | Limit                 | Outstanding      |
|---|--|---------------|------------|-----------------------|------------------|
| <b>Subsidiaries:</b>                                  |  |               |            |                       |                  |
| LX International (America) Inc.                       | Mizuho and others                      | Local finance | USD        | 151,500               | -                |
| LX International (Japan) Ltd.                         | MUFG and others                        | Local finance | USD<br>JPY | 3,000<br>12,038,000   | -<br>1,533       |
| LX International (HK) Ltd.                            | BOC Hongkong and others                | Local finance | USD        | 196,000               | 79               |
|   |  | Local finance | HKD        | 1,500                 | 37               |
| LX International (Singapore) Pte. Ltd.                | SMBC and others                        | Local finance | USD        | 350,000               | 9,223            |
|   |  | Local finance | SGD        | 200                   | 27               |
| LX International (Deutschland) GmbH                   | Mizuho and others                      | Local finance | USD        | 10,000                | -                |
|   |  | Local finance | EUR        | 5,000                 | -                |
| Bowen Investment (Australia) Pty Ltd.                 | HSBC and others                        | Local finance | AUD        | 12,000                | -                |
| LX International (Shanghai) Corp.                     | Hana Bank and others                   | Local finance | CNY        | 50,000                | -                |
| LX International India Private Limited                | Citi                                   | Local finance | INR        | 10,000                | 1,187            |
| PT. Batubara Global Energy                            | BTPN and others                        | Local finance | USD        | 62,000                | 14,603           |
|   |  | Local finance | IDR        | -                     | -                |
| Steel Flower Electric & Machinery (Tianjin) Co., Ltd. | HSBC and others                        | Local finance | CNY        | 369,000               | 21,501           |
| PT. Parna Agromas                                     | BTPN and others                        | Local finance | USD<br>IDR | 5,000<br>11,300,000   | -<br>66,180      |
| PT. Ganda Alam Makmur (*1)                            | Export-Import Bank of Korea and others | Local finance | USD<br>IDR | 24,000<br>-           | 24,000<br>-      |
| PT. Binsar Natorang Energi                            | SG                                     | Local finance | USD        | 4,679                 | 4,679            |
| Haipong Steel Flower Electrical & Machinery Co., Ltd. | HSBC and others                        | Local finance | USD<br>VND | 13,200<br>898,094,857 | -<br>138,171,419 |
| PT. Grand Utama Mandiri                               | Hana Bank and others                   | Local finance | IDR        | 88,700,000            | 10,711           |
| PT. Tintin Boyok Sawit Makmur                         | Shinhan Bank and others                | Local finance | IDR        | 44,700,000            | 31,715           |
| PT. Mega Global Energy                                | Woori Bank                             | Local finance | IDR        | 292,000,000           | -                |
| PT. Energy Metal Indonesia                            | Woori Bank                             | Local finance | USD<br>IDR | 10,000<br>246,900,000 | -<br>62,162,382  |
| PT. Adhi Kartiko Pratama                              | Hana Bank and others                   | Local finance | IDR        | 294,200,000           | 149,915,919      |
| PT. Global Investment Institusi                       | Hana Bank and others                   | Local finance | USD<br>IDR | 6,500<br>21,700,000   | -<br>210,139     |

(Continued)

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

|                                | Financial institution | Object        | Currency | Limit         | Outstanding |
|--------------------------------|-----------------------|---------------|----------|---------------|-------------|
| PT. LX International Indonesia | Hana Bank and others  | Local finance | USD      | 1,500         | -           |
|                                |                       |               | IDR      | 62,400,000    | 692,574     |
| PT. Green Global Utama         | BTPN and others       | Local finance | USD      | 36,500        | -           |
|                                |                       |               | IDR      | 1,100,000,000 | 505,635     |
| <b>Associates:</b>             |                       |               |          |               |             |
| Musandam Power Company S.A.O.C | Bank Muscat           | Local finance | OMR      | 863           | 863         |
| (Concluded)                    |                       |               |          |               |             |

(\*1) The amount represents 60% of total contracted guarantees, which is the same percentage as the Company's equity ownership in the subsidiary. Furthermore, the Company is jointly and severally liable for outstanding balances.

The Company issues Letter of Credit (L/C) to provide Hana Bank with a debt guarantee equivalent to \$23.3 million.

**25.2 Major agreements, such as opening letters of credit**

As of December 31, 2025, the agreements concluded for the establishment of L/Cs and other financial arrangement with financial institutions are as follows (Korean won in millions and foreign currencies in thousands):

| Description       | Financial institution   | Currency | Contract amount |
|-------------------|-------------------------|----------|-----------------|
| Bills bought      | Shinhan Bank and others | USD      | 60,000          |
| L/Cs              | Hana Bank and others    | USD      | 83,530          |
| Payment guarantee | Hana Bank and others    | USD      | 48,392          |
| Bank overdrafts   | Hana Bank and others    | KRW      | 8,000           |
| Line of credit    | HSBC and others         | USD      | 20,000          |
|                   |                         | KRW      | 190,000         |
| Trade financing   | Woori Bank and others   | USD      | 595,700         |
| Total             |                         | USD      | 807,622         |
|                   |                         | KRW      | 198,000         |

**25.3 Guarantees received**

Details of guarantees received as of December 31, 2025 and 2024, are as follows (Korean won in millions and foreign currencies in thousands):

|      | Financial institution | Details          | Guarantee amount    |
|------|-----------------------|------------------|---------------------|
| 2025 | Hana Bank             | Bonds and others | KRW 59, USD 30,948  |
|      |                       |                  | OMR 863             |
| 2024 | Hana Bank             | Bonds and others | KRW 963, USD 37,078 |
|      |                       |                  | AUD 8, OMR 874      |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**25.4 Collateralized assets**

Details of collateralized assets as of December 31, 2025 and 2024, are as follows (Korean won in millions):

| 2025                  |   |             |        |                           |         |
|-----------------------|---|-------------|--------|---------------------------|---------|
| Mortgagee             | Subject to collateral                             | Book amount |        | Collateral setting amount |         |
| Woori Bank and others | 8,994,800 shares of Poseung Green Power Co., Ltd. | ₩           | 57,900 | ₩                         | 210,000 |

| 2024                  |   |             |        |                           |         |
|-----------------------|---|-------------|--------|---------------------------|---------|
| Mortgagee             | Subject to collateral                             | Book amount |        | Collateral setting amount |         |
| Woori Bank and others | 8,994,800 shares of Poseung Green Power Co., Ltd. | ₩           | 71,342 | ₩                         | 210,000 |

The Company pledged five notes as collateral to its customers, creditors and guarantors related to various guarantees and borrowings as of December 31, 2025.

**25.5 License contract**

The Company has entered into a brand license agreement with LX Holdings Co. for the use of “LX” brand as of December 31, 2025.

**25.6 Joint liability on guarantee**

The Company and LF Corp. are jointly and severally liable for the obligations of LGI existing before the spin-off.

**25.7 Pending lawsuits**

The Company is a defendant in various lawsuits with claims aggregating to ₩5,277 million, and as of December 31, 2025, the outcomes of litigation are not reliably determinable.

**25.8 Other commitments**

As of December 31, 2025, the commitments the Company has entered into with customers other than financial institutions are as follows:

| Type of commitment          | Counterparty                  | Description  |
|-----------------------------|-------------------------------|--|
| Put option                  | Pablo Air Co., Ltd.           | As of December 1, 2021, the Company signed two contracts for the acquisition of convertible preferred stocks of Pablo Air Co., Ltd. with E Air Co., Ltd. and its stakeholder, Young-Jun Kim, and signed a put option contract for the new stocks to be acquired. |
| Put option                  | Bio Friends Co., Ltd.         | As of the May 20, 2021, the Company signed a put option contract with Bio Friends Co., Ltd. and its stakeholder, Won-Jun Jo, to acquire equity shares of Bio Friends Co., Ltd.   |
| Call option                 | Poseung Green Power Co., Ltd. | As of October 13, 2025, the Company signed contracts with TGPP Pte. Ltd. with a call option to acquire a full stake in Poseung Green Power Co., Ltd.   |
| Subordinated loan agreement | Poseung Green Power Co., Ltd. | As of October 19, 2022, the Company signed a liability fuel purchase agency contract with Poseung Green Power Co., Ltd. and signed a subordinated loan agreement for the shortfall (meeting certain conditions) in the fuel non-settlement account.              |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**26. FAIR VALUE:**

**26.1 Fair value of financial instruments**

The book value and fair value of financial instruments as of December 31, 2025 and 2024, are as follows (Korean won in millions):

|   | 2025               |                    | 2024               |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | Book value         | Fair value         | Book value         | Fair value         |
| <b>Financial assets:</b>                              |                    |                    |                    |                    |
| Financial assets measured at amortized cost (*1)      |                    |                    |                    |                    |
| Cash and cash equivalents                             | ₩ 341,866          | ₩ 341,866          | ₩ 143,180          | ₩ 143,180          |
| Short-term financial instruments                      | 21,196             | 21,196             | 21,470             | 21,470             |
| Trade accounts receivable                             | 391,482            | 391,482            | 385,453            | 385,453            |
| Long-term loans                                       | 10,325             | 10,325             | 10,290             | 10,290             |
| Other accounts receivable                             | 17,268             | 17,268             | 21,629             | 21,629             |
| Other financial assets                                | 8,822              | 8,822              | 5,630              | 5,630              |
|   | <u>790,959</u>     | <u>790,959</u>     | <u>587,652</u>     | <u>587,652</u>     |
| Financial assets recognized at fair value:            |                    |                    |                    |                    |
| Trade accounts receivable                             | 15,115             | 15,115             | 9,763              | 9,763              |
| Other accounts receivable related derivatives         | 2,852              | 2,852              | 2,031              | 2,031              |
| Other accounts receivable related share option        | -                  | -                  | 1,700              | 1,700              |
| Long-term equity instruments                          | 63,571             | 63,571             | 94,387             | 94,387             |
|   | <u>81,538</u>      | <u>81,538</u>      | <u>107,881</u>     | <u>107,881</u>     |
|   | <u>₩ 872,497</u>   | <u>₩ 872,497</u>   | <u>₩ 695,533</u>   | <u>₩ 695,533</u>   |
| <br>  |                    |                    |                    |                    |
|   | 2025               |                    | 2024               |                    |
|   | Book value         | Fair value         | Book value         | Fair value         |
| <b>Financial liabilities:</b>                         |                    |                    |                    |                    |
| Financial liabilities measured at amortized cost (*1) |                    |                    |                    |                    |
| Trade accounts payable                                | ₩ 380,908          | ₩ 380,908          | ₩ 316,884          | ₩ 316,884          |
| Other accounts payable                                | 49,427             | 49,427             | 88,816             | 88,816             |
| Borrowings  | 472,384            | 472,384            | 665,014            | 665,014            |
| Bonds payable   | 638,910            | 638,910            | 459,259            | 459,259            |
| Current portion of bonds and long-term borrowings     | 349,964            | 349,964            | 307,537            | 307,537            |
| Lease liabilities                                     | 4,191              | 4,191              | 5,748              | 5,748              |
| Other financial liabilities (*2)                      | 11,938             | 11,938             | 21,833             | 21,833             |
|   | <u>1,907,722</u>   | <u>1,907,722</u>   | <u>1,865,091</u>   | <u>1,865,091</u>   |
| Financial liabilities recognized at fair value:       |                    |                    |                    |                    |
| Other accounts payable related derivatives            | 108                | 108                | 868                | 868                |
|   | <u>108</u>         | <u>108</u>         | <u>868</u>         | <u>868</u>         |
|   | <u>₩ 1,907,830</u> | <u>₩ 1,907,830</u> | <u>₩ 1,865,959</u> | <u>₩ 1,865,959</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**26.1 Fair value of financial instruments (cont'd)**

(\*1) As the carrying amounts are considered to be a reasonable approximation of the fair values, the carrying amounts have been stated as the fair values.

(\*2) Other financial liabilities include amounts related to employee compensation that is not classified as financial liabilities.

**26.2 Fair value measurement of assets and liabilities recorded in the separate statements of financial position**

The Company uses the following hierarchy in determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

As of December 31, 2025 and 2024, the Company holds the assets and liabilities measured at fair value in the separate statements of financial position, and assets and liabilities for which the fair values were disclosed as follows (Korean won in millions):

|   | 2025    |         |         |
|---|---------|---------|---------|
|   | Level 1 | Level 2 | Level 3 |
| Financial assets at fair value through profit or loss:      |         |         |         |
| Other accounts receivable related to derivatives            | ₩ -     | ₩ 1,972 | ₩ -     |
| Equity instruments held for long term (*1)                  | -       | -       | 12,580  |
| Financial assets designated at FVTOCI:                      |         |         |         |
| Equity instruments held for long term (*1)                  | 566     | -       | 50,102  |
| Financial liabilities at fair value through profit or loss: |         |         |         |
| Other accounts payable related to derivatives               | -       | 108     | -       |
| Hedging derivatives:  |         |         |         |
| Other accounts receivable related to derivatives            | -       | 880     | -       |

(\*1) Equity securities whose fair value cannot be measured reliably was measured at cost after recognizing the impairment loss.

There was no movement between the levels of the fair value hierarchy for the year ended December 31, 2024.

|   | 2024    |         |         |
|---|---------|---------|---------|
|   | Level 1 | Level 2 | Level 3 |
| Financial assets at fair value through profit or loss:      |         |         |         |
| Other accounts receivable related to derivatives            | ₩ -     | ₩ 2,032 | ₩ -     |
| Equity instruments held for long term (*1)                  | -       | -       | 10,501  |
| Other accounts receivable related to share option           | -       | -       | 1,700   |
| Financial assets designated at FVTOCI:                      |         |         |         |
| Equity instruments held for long term (*1)                  | 441     | -       | 83,122  |
| Financial liabilities at fair value through profit or loss: |         |         |         |
| Other accounts payable related to derivatives               | -       | 868     | -       |

(\*1) Equity securities whose fair value cannot be measured reliably was measured at cost after recognizing the impairment loss. Accordingly, it has been excluded from the above fair value hierarchy.

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**26.3 Valuation method and interest rate used to determine fair value**

Equity securities within Level 1 are traded in active markets (such as the Korea Exchange) for marketable equity securities, which were evaluated based on the closing price as of the end of the reporting period.

Derivative instruments within Level 2, after calculating the expected cash flow by using the current exchange rate at the end of the reporting period, were measured at present value, and the discount rate applied was 2.81% during the period (2024: 3.39%).

Equity securities within Level 3 were evaluated using the DCF, as an active market does not exist for nonmarketable equity securities. The discount rate applied was 5.96%–10.46% during the period (2024: 6.49%–14.24%).

**27. SEPARATE STATEMENTS OF CASH FLOWS:**

Non-cash adjustments to reconcile profit for the year to net cash flows for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025        | 2024        |
|--|-------------|-------------|
| Depreciation   | ₩ 8,532     | ₩ 8,263     |
| Amortization   | 1,261       | 1,287       |
| Retirement benefits  | 4,283       | 3,894       |
| Bad debt expenses  | 4,600       | 12,423      |
| Interest income  | (11,938)    | (14,898)    |
| Gain on foreign currency translation                           | (9,461)     | (20,622)    |
| Interest expenses  | 55,957      | 59,516      |
| Loss on foreign currency translation                           | 9,037       | 18,053      |
| Loss on disposal of investments in subsidiaries and associates | (1,924)     | (1,577)     |
| Impairment loss on investments in subsidiaries and associates  | 91,851      | 110,184     |
| Share of profit of subsidiaries and associates                 | (297,459)   | (500,003)   |
| Share of loss of subsidiaries and associates                   | 53,867      | 21,777      |
| Gains on disposal of other investments                         | -           | (876)       |
| Income tax expenses  | (52,624)    | 68,455      |
| Gain on exemption from debt                                    | (4,379)     | -           |
| Dividend income  | (3,746)     | (10,076)    |
| Provision reversal   | -           | (516)       |
| Gain related to derivatives                                    | 1,949       | 18,840      |
| Others   | (1,192)     | (9,172)     |
|  | ₩ (151,386) | ₩ (235,048) |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**27. Separate Statements of cash flows (cont'd)**

Working capital adjustments for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025       |   | 2024     |
|--|------------|---|----------|
| Increase in trade accounts receivable            | ₩ (23,664) | ₩ | (21,108) |
| Decrease (increase) in other accounts receivable | (1,797)    |   | 15,363   |
| Decrease (increase) in advance payments          | (151)      |   | 873      |
| Decrease (increase) in inventories               | 17,553     |   | (27,755) |
| Decrease (increase) in other operating assets    | (1,822)    |   | 2,158    |
| Increase (decrease) in trade payables            | 71,303     |   | (14,054) |
| Increase (decrease) in other accounts payable    | (38,375)   |   | 15,429   |
| Decrease in advance received                     | (238)      |   | (430)    |
| Severance and retirement benefits paid           | (2,481)    |   | (4,243)  |
| Increase in plan assets                          | (2,251)    |   | (671)    |
| Decrease in provisions                           | -          |   | (8,160)  |
| Decrease in other operating liabilities          | 397        |   | 1,069    |
|  | ₩ 18,474   | ₩ | (41,529) |

Significant non-cash transactions for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|  | 2025    |   | 2024  |
|--|---------|---|-------|
| Acquisition of right-of-use assets                                     | ₩ 6,857 | ₩ | 9,818 |
| Non-receipt of dividend  | 1,506   |   | 1,290 |
| Other payables related to acquisition of property, plant and equipment | 17      |   | 27    |
| Other payables related to acquisition of intangible asset              | (3,690) |   | -     |
| Other receivables related to disposal of intangible asset              | 5,776   |   | -     |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**27. Separate Statements of cash flows (cont'd)**

The adjustment of liabilities arising from financing activities for the years ended December 31, 2025 and 2024, is as follows (Korean won in millions):

|                       | 2025               |                                    |                              |                |                    |
|-----------------------|--------------------|------------------------------------|------------------------------|----------------|--------------------|
|                       | January 1          | Cash flows in financing activities | Non-cash changes             |                | December 31        |
|                       |                    |                                    | Foreign currency translation | Others         |                    |
| Short-term borrowings | ₩ 150,000          | ₩ (150,000)                        | ₩ -                          | ₩ -            | ₩ -                |
| Long-term borrowings  | 632,579            | 70,165                             | (359)                        | -              | 702,385            |
| Bonds                 | 649,232            | 109,054                            | -                            | 588            | 758,874            |
| Lease liabilities     | 5,748              | (8,134)                            | -                            | 6,577          | 4,191              |
|                       | <u>₩ 1,437,559</u> | <u>₩ 21,085</u>                    | <u>₩ (359)</u>               | <u>₩ 7,165</u> | <u>₩ 1,465,450</u> |
|                       | 2024               |                                    |                              |                |                    |
|                       | January 1          | Cash flows in financing activities | Non-cash changes             |                | December 31        |
|                       |                    |                                    | Foreign currency translation | Others         |                    |
| Short-term borrowings | ₩ -                | ₩ 150,000                          | ₩ -                          | ₩ -            | ₩ 150,000          |
| Long-term borrowings  | 569,437            | 61,290                             | 1,852                        | -              | 632,579            |
| Bonds                 | 648,728            | -                                  | -                            | 504            | 649,232            |
| Lease liabilities     | 4,348              | (7,514)                            | 17                           | 8,896          | 5,747              |
|                       | <u>₩ 1,222,513</u> | <u>₩ 203,776</u>                   | <u>₩ 1,869</u>               | <u>₩ 9,400</u> | <u>₩ 1,437,558</u> |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**28. LEASES:**

Details of and changes in right-of-use asset for the years ended December 31, 2025 and 2024, are as follows (Korean won in thousands):

|                          | 2025      |          |          |
|--------------------------|-----------|----------|----------|
|                          | Buildings | Vehicles | Total    |
| Acquisition cost         | ₩ 13,685  | ₩ 2,861  | ₩ 16,546 |
| Accumulated depreciation | (11,037)  | (1,278)  | (12,315) |
| Net book value           | ₩ 2,648   | ₩ 1,583  | ₩ 4,231  |

|                          | 2024      |          |          |
|--------------------------|-----------|----------|----------|
|                          | Buildings | Vehicles | Total    |
| Acquisition cost         | ₩ 13,140  | ₩ 2,474  | ₩ 15,614 |
| Accumulated depreciation | (8,949)   | (966)    | (9,915)  |
| Net book value           | ₩ 4,191   | ₩ 1,508  | ₩ 5,699  |

Details of and changes in right-of-use asset for the years ended December 31, 2025 and 2024, are as follows (Korean won in thousands):

|              | 2025      |          |         |
|--------------|-----------|----------|---------|
|              | Buildings | Vehicles | Total   |
| January 1    | ₩ 4,191   | ₩ 1,508  | ₩ 5,699 |
| Additions    | 5,889     | 968      | 6,857   |
| Depreciation | (7,355)   | (714)    | (8,069) |
| Disposals    | (76)      | (180)    | (256)   |
| December 31  | ₩ 2,649   | ₩ 1,582  | ₩ 4,231 |

|              | 2024      |          |         |
|--------------|-----------|----------|---------|
|              | Buildings | Vehicles | Total   |
| January 1    | ₩ 2,976   | ₩ 1,551  | ₩ 4,527 |
| Additions    | 9,117     | 700      | 9,817   |
| Depreciation | (6,993)   | (689)    | (7,682) |
| Disposals    | (909)     | (54)     | (963)   |
| December 31  | ₩ 4,191   | ₩ 1,508  | ₩ 5,699 |

**LX International Corp.**  
**Notes to separate financial statements**  
**As of and for the years ended December 31, 2025 and 2024**

**28. Leases (cont'd)**

Details of changes in lease liabilities for the years ended December 31, 2025 and 2024, are as follows (Korean won in millions):

|                  | 2025 |         | 2024 |         |
|------------------|------|---------|------|---------|
| January 1        | ₩    | 5,748   | ₩    | 4,348   |
| Addition         |      | 6,857   |      | 9,818   |
| Interest expense |      | 284     |      | 308     |
| Payment          |      | (8,418) |      | (7,804) |
| Termination      |      | (280)   |      | (922)   |
| December 31      | ₩    | 4,191   | ₩    | 5,748   |

Details of expenses that came from short-term leases and leases of low-value assets are as follows (Korean won in millions):

|                            | 2025 |     | 2024 |     |
|----------------------------|------|-----|------|-----|
| Short-term leases          | ₩    | 672 | ₩    | 676 |
| Leases of low-value assets |      | 204 |      | 194 |
|                            | ₩    | 876 | ₩    | 870 |

**29. NON-CURRENT ASSETS AS HELD FOR SALE:**

As of December 31, 2025, the Company has no non-current assets held for sale.

As of December 31, 2024, the capital directly related to non-current assets held for sale is as follows (Korean won in millions):

|  | 2024     |             |           |
|--|----------|-------------|-----------|
|  | Assets   | Liabilities | Equity    |
| <b>Associate</b>                               |          |             |           |
| POSCO-IPPC (India Pune Processing Center)( *1) | ₩ 17,500 | ₩ -         | ₩ (1,432) |
|  | ₩ 17,500 | ₩ -         | ₩ (1,432) |

(\*1) For the year ended December 31, 2024, the Company decided to dispose 35% of its stake in POSCO-IPPC (India Pune Processing Center), which had been classified as investment in associates, and reclassified the related assets with non-current assets held for sale. Impairment loss of ₩1,607 million, representing the difference between the carrying amount and the expected disposal proceeds, was recognized as impairment loss on investments in subsidiaries and associates.

For the year ended December 31, 2025, the disposal of the equity interest was completed, and a disposal loss of ₩1,433 million was recognized as loss on disposal of investments in subsidiaries and associates.

## **Independent Auditor’s Report on Internal control over financial reporting**

**English Translation of Independent Auditor’s Report on Internal Control over Financial Reporting  
Originally Issued in Korean on March 17, 2026.**

**To the Shareholders and the Board of Directors of LX International Corp.:**

### **Audit Opinion on Internal Control over Financial Reporting**

We have audited the internal control over financial reporting of LX International Corp. (the “Company”) as of December 31, 2025, based on ‘Conceptual Framework for Design and Operation of Internal Control over Financial Reporting.’

In our opinion, the Company’s internal control over financial reporting is designed and operated effectively as of December 31, 2025, in all material respects, in accordance with the ‘Conceptual Framework for Design and Operation of Internal Control over Financial Reporting.’

We have also audited, in accordance with the Korean Standards on Auditing (“KSAs”), the separate financial statements of the Company, which comprise the separate statement of financial position as of December 31, 2025, and the separate statement of profit or loss, separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the years then ended, and notes to the separate financial statements, including material accounting policy information, and our report dated March 17, 2026, expressed an unqualified opinion.

### **Basis for Audit Opinion**

We conducted our audit in accordance with the KSAs. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Internal Control over Financial Reporting section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the internal control over financial reporting in the Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of Management and Those Charged with Governance for the Internal Control over Financial Reporting**

Management is responsible for designing, operating and maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Internal Control over Financial Reporting Operating Status Report by Chief Executive Officer.

Those charged with governance is responsible for the oversight of internal control over financial reporting of the Company.

# Deloitte.

## Auditor's Responsibilities for the Audit of the Internal Control over Financial Reporting

Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We conducted our audit in accordance with the KSAs. 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.

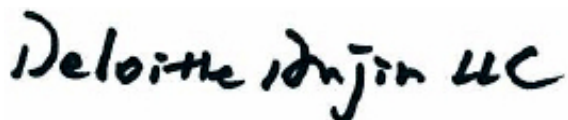
The audit of internal control over financial reporting involves performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risks that a material weakness exists. The audit includes 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 risks.

## Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process implemented by those charged with governance, management and other personnel, and designed to provide reasonable assurance regarding the preparation of reliable financial statements in accordance with Korean International Financial Reporting Standards ("K-IFRSs"). A 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 separate financial statements in accordance with K-IFRSs 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 of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the separate financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect material misstatements in the financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that evaluation of and projections to the future periods may change as internal control over financial reporting becomes 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 Ki Hyeon Kim.



March 17, 2026

### Notice to Readers

This report is effective as of March 17, 2026, the auditor's report date. Certain subsequent events or circumstances may have occurred between the auditor's report date and the time the auditor's report is read. Such events or circumstances could significantly affect the Company's internal control over financial reporting and may result in modifications to the auditor's report.

# Management's report on the operations of internal control over financial reporting

## ICFR Operating Status Report

To the Shareholders, Board of Directors, and Audit Committee of LX International Corp.

We, as the Chief Executive Officer and the Internal Accounting Manager of LX International Corp. ("the Company"), assessed operating status of the Company's Internal Control over Financial Reporting ("ICFR") for the year ending December 31, 2025.

Design and operation of ICFR is the responsibility of the Company's management, including the Chief Executive Officer and the Internal Accounting Manager (collectively, "We", "Our" or "Us").

We evaluated whether the Company effectively designed and operated its ICFR to prevent and detect errors or frauds which may cause a misstatement in financial statements to ensure preparation and disclosure of reliable financial information.

We used the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting' established by the Operating Committee of Internal Control over Financial Reporting in Korea (the "ICFR Committee") as the criteria for design and operation of the Company's ICFR. And we conducted an evaluation of ICFR based on the 'Criteria for Evaluation and Reporting of Internal Control over Financial Reporting' under Appendix 6 to the Enforcement Rules of the Regulation on External Audit and Accounting.

Based on our assessment, we concluded that the Company's ICFR is designed and operated effectively as of December 31, 2025, in all material respects, in accordance with the '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 might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

January 30, 2026



\_\_\_\_\_  
**Chun-sung Yoon**  
Chief Executive Officer



\_\_\_\_\_  
**Byeong-il Min**  
Internal Accounting Manager