

# Samsung Electronics Co., Ltd. and its subsidiaries

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As of September 30, 2025 and December 31, 2024 and  
for the three month and nine-month periods ended September 30, 2025 and 2024

### 1. General Information

#### 1.1 Company Overview

Samsung Electronics Co., Ltd. (“SEC”) was incorporated under the laws of the Republic of Korea in 1969 and listed its shares on the Korea Stock Exchange in 1975. SEC and its subsidiaries (collectively referred to as the “Company”) operate four business divisions: DX, DS, SDC and Harman. DX (Device eXperience) division comprises businesses for digital televisions, refrigerators, smartphones and communication systems. DS (Device Solutions) division comprises businesses for memory, foundry, and system Large Scale Integration (LSI). SDC includes display panels products. Harman division includes connected car systems, audio and visual products, enterprise automation solutions and connected services. SEC is domiciled in the Republic of Korea and is located in Suwon, the Republic of Korea.

These consolidated financial statements have been prepared in accordance with Korean International Financial Reporting Standards (“Korean IFRS”) 1110, *Consolidated Financial Statements*. SEC, as the controlling company, consolidates its 275 subsidiaries, including Samsung Display Co., Ltd. and Samsung Electronics America Inc. The Company also applies the equity method of accounting for its 34 associates and joint ventures, including Samsung Electro-Mechanics Co., Ltd.

#### 1.2 Consolidated Subsidiaries

The consolidated subsidiaries as of September 30, 2025 are as follows:

Region	Subsidiaries	Business	Percentage of ownership (%) <sup>(*)</sup>
America	Samsung Electronics America, Inc. (SEA)	Sale of electronic devices	100.0
	Samsung International, Inc. (SII)	Manufacture of electronic devices	100.0
	Samsung Mexicana S.A. de C.V (SAMEX)	Manufacture of electronic devices	100.0
	Samsung Electronics Home Appliances America, LLC (SEHA)	Manufacture of home appliances	100.0
	Samsung Research America, Inc. (SRA)	Research and Development (R&D)	100.0
	Samsung Next LLC (SNX)	Management of overseas subsidiaries	100.0
	Samsung Next Fund LLC (SNXF)	Technology business, venture capital investments	100.0
	NeuroLogica Corp.	Manufacture and sale of medical equipment	100.0
	Samsung Lennox HVAC North America, LLC	Sale of air conditioning products	50.1
	Joyent, Inc.	Cloud services	100.0
	SmartThings, Inc.	Sale of smart home electronics	100.0
	TeleWorld Solutions, Inc. (TWS)	Deployment and optimization of network devices	100.0
	Samsung Semiconductor, Inc. (SSI)	Sale of semiconductor and display panels	100.0
	Samsung Federal, Inc. (SFI)	R&D	100.0
	Samsung Austin Semiconductor LLC. (SAS)	Manufacture of semiconductors	100.0
	Samsung Oak Holdings, Inc. (SHI)	Management of overseas subsidiaries	100.0
	SEMES America, Inc.	Maintenance of semiconductor equipment	100.0
	Samsung Display America Holdings, Inc. (SDAH)	Management of overseas subsidiaries	100.0
	eMagin Corporation	Development and manufacture of display panels	100.0
	Samsung Electronics Canada, Inc. (SECA)	Sale of electronic devices	100.0
	AdGear Technologies Inc.	Digital advertising platforms	100.0
	Sonio Corporation	Sale of medical software	100.0

<sup>(\*)</sup> Ownership represents the Company’s ownership of the voting rights in each entity, including subsidiaries’ ownerships.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

<b>Region</b>	<b>Subsidiaries</b>	<b>Business</b>	<b>Percentage of ownership (%)<sup>(*)</sup></b>
America	RAINBOW ROBOTICS USA Co., Ltd.	Sale of robots	100.0
	Samsung Eletronica da Amazonia Ltda. (SEDA)	Manufacture and sale of electronic devices	100.0
	Samsung Electronics Mexico S.A. De C.V. (SEM)	Sale of electronic devices	100.0
	Samsung Electronics Digital Appliance Mexico, SA de CV (SEDAM)	Manufacture of home appliances	100.0
	Samsung Electronics Latinoamerica (Zona Libre), S. A. (SELA)	Sale of electronic devices	100.0
	Samsung Electronics Latinoamerica Miami, Inc. (SEMI)	Sale of electronic devices	100.0
	Samsung Electronica Colombia S.A. (SAMCOL)	Sale of electronic devices	100.0
	Samsung Electronics Argentina S.A. (SEASA)	Marketing and services	100.0
	Samsung Electronics Chile Limitada (SECH)	Sale of electronic devices	100.0
	Samsung Electronics Peru S.A.C. (SEPR)	Sale of electronic devices	100.0
	Samsung Electronics Venezuela, C.A. (SEVEN)	Marketing and services	100.0
	Samsung Electronics Panama. S.A. (SEPA)	Consulting	100.0
	Harman International Industries, Inc.	Management of overseas subsidiaries	100.0
	Harman Becker Automotive Systems, Inc.	Manufacture and sale of audio products and R&D	100.0
	Harman Connected Services, Inc.	Connected service provider	100.0
	Harman Connected Services Engineering Corp.	Connected service provider	100.0
	Harman da Amazonia Industria Eletronica e Participacoes Ltda.	Manufacture and sale of audio products	100.0
	Harman de Mexico, S. de R.L. de C.V.	Manufacture of audio products	100.0
	Harman do Brasil Industria Eletronica e Participacoes Ltda.	Sale of audio products and R&D	100.0
	Harman International Industries Canada Ltd.	Sale of audio products	100.0
	Harman International Mexico, S. de R.L. de C.V.	Sale of audio products	100.0
	Harman KG Holding, LLC	Management of overseas subsidiaries	100.0
	Harman Professional, Inc.	Sale of audio products and R&D	100.0
	Roon Labs, LLC.	Sale of audio products	100.0
	Harman Connected Services US Midco, LLC	Management of overseas subsidiaries	100.0
	Viper Holdings Corporation	Management of overseas subsidiaries	100.0
	DEI Holdings, Inc.	Management of overseas subsidiaries	100.0
	DEI Sales, Inc.	Sale of audio products	100.0
	Sound United, LLC	Sale of audio products	100.0
	Sound United Canada Inc.	Sale of audio products	100.0
	Polk Audio, LLC	Sale of audio products	100.0
	D&M Holdings U.S. Inc.	Sale of audio products	100.0
	Boston Acoustics, Inc.	Sale of audio products	100.0
	D&M Premium Sound Solutions, LLC	Sale of audio products	100.0
	Denon Electronics (USA), LLC	Sale of audio products	100.0
	Digital Networks North America Inc.	Sale of audio products	100.0
	Marantz America, LLC	Sale of audio products	100.0
	D&M Sales & Marketing Americas, LLC	Sale of audio products	100.0
	The Speaker Company	Sale of audio products	100.0
	Definitive Technology, LLC	Sale of audio products	100.0
	Equity International, LLC	Sale of audio products	100.0
	Beijing Integrated Circuit Industry International Fund, L.P	Venture capital investments	61.4
	China Materialia New Materials 2016 Limited Partnership	Venture capital investments	99.0

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## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

<b>Region</b>	<b>Subsidiaries</b>	<b>Business</b>	<b>Percentage of ownership (%)<sup>(*)</sup></b>
Europe/CIS	Samsung Electronics (UK) Ltd. (SEUK)	Sale of electronic devices	100.0
	Samsung Electronics Ltd. (SEL)	Management of overseas subsidiaries	100.0
	Samsung Semiconductor Europe Limited (SSEL)	Sale of semiconductor and display panels	100.0
	Samsung Electronics GmbH (SEG)	Sale of electronic devices	100.0
	Samsung Electronics Holding GmbH (SEHG)	Management of overseas subsidiaries	100.0
	Samsung Semiconductor Europe GmbH (SSEG)	Sale of semiconductor and display panels	100.0
	Samsung Electronics France S.A.S (SEF)	Sale of electronic devices	100.0
	Samsung Electronics Italia S.P.A. (SEI)	Sale of electronic devices	100.0
	Samsung Electronics Iberia, S.A. (SESA)	Sale of electronic devices	100.0
	Samsung Electronics Portuguesa, Unipessoal, Lda. (SEP)	Sale of electronic devices	100.0
	Samsung Electronics Hungarian Private Co. Ltd. (SEH)	Manufacture and sale of electronic devices	100.0
	Samsung Electronics Europe Logistics B.V. (SELS)	Logistics	100.0
	Samsung Electronics Benelux B.V. (SEBN)	Sale of electronic devices	100.0
	Samsung Electronics Europe Holding Cooperatief U.A. (SEEH)	Management of overseas subsidiaries	100.0
	Samsung Electronics Nordic Aktiebolag (SENA)	Sale of electronic devices	100.0
	Samsung Electronics Slovakia s.r.o (SESK)	Manufacture of TV and monitors	100.0
	Samsung Electronics Polska, SP.Zo.o (SEPOL)	Sale of electronic devices	100.0
	Samsung Electronics Poland Manufacturing SP.Zo.o (SEPM)	Manufacture of home appliances	100.0
	Samsung Electronics Romania LLC (SEROM)	Sale of electronic devices	100.0
	Samsung Electronics Austria GmbH (SEAG)	Sale of electronic devices	100.0
	Samsung Electronics Switzerland GmbH (SESG)	Sale of electronic devices	100.0
	Samsung Electronics Czech and Slovak s.r.o. (SECZ)	Sale of electronic devices	100.0
	Samsung Electronics Baltics SIA (SEB)	Sale of electronic devices	100.0
	Samsung Electronics Greece S.M.S.A (SEGR)	Sale of electronic devices	100.0
	Samsung Electronics Air Conditioner Europe B.V. (SEACE)	Sale of air conditioning products	100.0
	Samsung Nanoradio Design Center (SNDC)	R&D	100.0
	Samsung Denmark Research Center ApS (SDRC)	R&D	100.0
	Samsung Cambridge Solution Centre Limited (SCSC)	R&D	100.0
	SAMSUNG Zhilabs, S.L.	Development and sale of network solutions	100.0
	FOODIENT LTD.	R&D	100.0
	Oxford Semantic Technologies Limited (OST)	R&D	100.0
	Sonio SAS	Sale of software and R&D	100.0
	Samsung Electronics Rus Company LLC (SERC)	Sale of electronic devices	100.0
	Samsung Electronics Rus Kaluga LLC (SERK)	Manufacture of TV	100.0
	Samsung Electronics Ukraine Company LLC (SEUC)	Sale of electronic devices	100.0
	Samsung R&D Institute Ukraine (SRUKR)	R&D	100.0
	Samsung Electronics Central Eurasia LLP (SECE)	Sale of electronic devices	100.0
	Samsung R&D Institute Rus LLC (SRR)	R&D	100.0
	Samsung Electronics Caucasus Co. Ltd (SECC)	Marketing	100.0
	Samsung Electronics Uzbekistan Ltd. (SEUZ)	Marketing	100.0
	AKG Acoustics GmbH	Manufacture and sale of audio products	100.0

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### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

<b>Region</b>	<b>Subsidiaries</b>	<b>Business</b>	<b>Percentage of ownership (%)<sup>(*)</sup></b>
Europe/CIS	Apostera UA, LLC	Connected Service Provider	100.0
	Harman Audio Iberia Espana Sociedad Limitada	Sale of audio products	100.0
	Harman Becker Automotive Systems GmbH	Manufacture and sale of audio products and R&D	100.0
	Harman Becker Automotive Systems Italy S.R.L.	Sale of audio products	100.0
	Harman Becker Automotive Systems Manufacturing Kft	Manufacture of audio products and R&D	100.0
	Harman Belgium SA	Sale of audio products	100.0
	Harman Connected Services AB.	Connected service provider	100.0
	Harman Finland Oy	Connected service provider	100.0
	Harman Connected Services GmbH	Connected service provider	100.0
	Harman Connected Services Poland Sp.zoo	Connected service provider	100.0
	Harman Connected Services UK Ltd.	Connected service provider	100.0
	Harman Consumer Nederland B.V.	Sale of audio products	100.0
	Harman Deutschland GmbH	Sale of audio products	100.0
	Harman France SNC	Sale of audio products	100.0
	Harman Holding GmbH & Co. KG	Management company	100.0
	Harman Hungary Financing Ltd.	Financing company	100.0
	Harman Inc. & Co. KG	Management of overseas subsidiaries	100.0
	Harman International Estonia OU	R&D	100.0
	Harman International Industries Limited	Sale of audio products and R&D	100.0
	Harman International Romania SRL	R&D	100.0
	Harman Management GmbH	Management of overseas subsidiaries	100.0
	Harman Professional Kft	Manufacture of audio products and R&D	100.0
	Harman Professional Denmark ApS	Sale of audio products and R&D	100.0
	Red Bend Software SAS	Software design	100.0
	Harman Connected Services OOO	Connected service provider	100.0
	Harman RUS CIS LLC	Sale of audio products	100.0
	D&M Europe B.V.	Sale of audio products	100.0
	D&M Audiovisual Ltd.	Sale of audio products	100.0
	D&M France SAS	Sale of audio products	100.0
	D&M Germany GmbH	Sale of audio products	100.0
	B&W Group Ltd	Sale of audio products	100.0
	B&W Group Belgium B.V.	Sale of audio products	100.0
	B&W Loudspeakers Nederland B.V.	Sale of audio products	100.0
	B&W Loudspeakers Group Espana S.A.	Sale of audio products	100.0
	B&W Loudspeakers Ltd.	Sale of audio products	100.0
	B&W Group (Schweiz) GmbH	Sale of audio products	100.0
	B&W Group (Logistics) Ltd.	Sale of audio products	100.0
	B&W Group Germany GmbH	Sale of audio products	100.0
	B&W Group France SARL	Sale of audio products	100.0
	B&W Group Finland Oy	Sale of audio products	100.0
	Marantz Italy Srl	Sale of audio products	51.0
	Bowers & Wilkins Ltd.	Sale of audio products	100.0

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## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Region	Subsidiaries	Business	Percentage of ownership (%) <sup>(*)</sup>
Middle East & Africa	Samsung Gulf Electronics Co., Ltd. (SGE)	Sale of electronic devices	100.0
	Samsung Electronics Turkiye (SETK)	Sale of electronic devices	100.0
	Samsung Electronics Industry and Commerce Ltd. (SETK-P)	Manufacture of electronic devices	100.0
	Samsung Electronics Levant Co., Ltd. (SELV)	Sale of electronic devices	100.0
	Samsung Electronics Maghreb Arab (SEMAG)	Sale of electronic devices	100.0
	Samsung Electronics Egypt S.A.E (SEEG)	Manufacture and sale of electronic devices	100.0
	Samsung Electronics Israel Ltd. (SEIL)	Marketing	100.0
	Samsung Electronics Tunisia S.A.R.L (SETN)	Marketing	100.0
	Samsung Electronics Pakistan(Private) Ltd. (SEPAK)	Marketing	100.0
	Samsung Electronics Middle East and North Africa (SEMENA)	Management of overseas subsidiaries	100.0
	Samsung Electronics Saudi Arabia Ltd. (SESAR)	Sale of electronic devices	100.0
	Samsung Semiconductor Israel R&D Center, Ltd. (SIRC)	R&D	100.0
	Corephotronics Ltd.	R&D	100.0
	Samsung Electronics South Africa(Pty) Ltd. (SSA)	Sale of electronic devices	100.0
	Samsung Electronics South Africa Production (Pty) Ltd. (SSAP)	Manufacture of TV and monitors	100.0
	Samsung Electronics West Africa Ltd. (SEWA)	Marketing	100.0
	Samsung Electronics East Africa Ltd. (SEEA)	Marketing	100.0
	Harman Connected Services Mauritius Pvt. Ltd.	Management of overseas subsidiaries	100.0
	Harman Connected Services Morocco	Connected service provider	100.0
	Harman Industries Holdings Mauritius Ltd.	Management of overseas subsidiaries	100.0
	Red Bend Ltd.	Manufacture of audio products	100.0
Asia (Excluding China)	Samsung Asia Pte. Ltd. (SAPL)	Management of overseas subsidiaries	100.0
	Samsung Electronics Singapore Pte. Ltd. (SESP)	Sale of electronic devices	100.0
	Samsung Malaysia Electronics (SME) Sdn. Bhd. (SME)	Sale of electronic devices	100.0
	Samsung Electronics Display (M) Sdn. Bhd. (SDMA)	Manufacture of electronic devices	100.0
	Samsung Electronics (M) Sdn. Bhd. (SEMA)	Manufacture of home appliances	100.0
	Samsung Vina Electronics Co., Ltd. (SAVINA)	Sale of electronic devices	100.0
	Samsung Electronics Vietnam Co., Ltd. (SEV)	Manufacture of electronic devices	100.0
	Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT)	Manufacture of communication equipment	100.0
	Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC)	Manufacture and sale of electronic devices	100.0
	Samsung Display Vietnam Co., Ltd. (SDV)	Manufacture of display panels	100.0
	PT Samsung Electronics Indonesia (SEIN)	Manufacture and sale of electronic devices	100.0
	PT Samsung Telecommunications Indonesia (STIN)	Sale of electronic devices and services	100.0
	Thai Samsung Electronics Co., Ltd. (TSE)	Manufacture and sale of electronic devices	91.8
	Laos Samsung Electronics Sole Co., Ltd (LSE)	Marketing	100.0
	Samsung Electronics Philippines Corporation (SEPCO)	Sale of electronic devices	100.0
	Samsung Electronics Australia Pty. Ltd. (SEAU)	Sale of electronic devices	100.0
	Samsung Electronics New Zealand Limited (SENZ)	Sale of electronic devices	100.0
	Samsung India Electronics Private Ltd. (SIEL)	Manufacture and sale of electronic devices	100.0
	Red Brick Lane Marketing Solutions Pvt. Ltd.	Marketing	100.0
	Samsung Display Noida Private Limited (SDN)	Manufacture of display panels	100.0
	Samsung R&D Institute India Bangalore Private Limited (SRI-Bangalore)	R&D	100.0
	Samsung R&D Institute Bangladesh Limited (SRBD)	R&D	100.0
	Samsung Nepal Services Pvt, Ltd (SNSL)	Service	100.0
	Samsung Japan Corporation (SJC)	Sale of semiconductor and display panels	100.0

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## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Region	Subsidiaries	Business	Percentage of ownership (%) <sup>(*)</sup>
Asia (Excluding China)	Samsung R&D Institute Japan Co. Ltd. (SRJ)	R&D	100.0
	Samsung Electronics Japan Co., Ltd. (SEJ)	Sale of electronic devices	100.0
	Harman Connected Services Corp. India Pvt. Ltd.	Connected service provider	100.0
	Harman International (India) Private Limited	Sale of audio products and R&D	100.0
	Harman International Industries PTY Ltd.	Management of overseas subsidiaries	100.0
	Harman International (Thailand) Co., Ltd.	Manufacture and sale of audio products	100.0
	Harman International Japan Co., Ltd.	Sale of audio products and R&D	100.0
	Harman Singapore Pte. Ltd.	Sale of audio products	100.0
	D&M Holdings, Inc.	Manufacture and sale of audio products, R&D	100.0
	Sound United Australia Pty Ltd	R&D	100.0
China	Sound United Sales & Marketing Australia Pty Limited	Sale of audio products	100.0
	Samsung (CHINA) Investment Co., Ltd. (SCIC)	Sale of electronic devices	100.0
	Samsung Electronics Hong Kong Co., Ltd. (SEHK)	Sale of electronic devices	100.0
	Samsung Electronics Taiwan Co., Ltd. (SET)	Sale of electronic devices	100.0
	Suzhou Samsung Electronics Co., Ltd. (SSEC)	Manufacture of home appliances	88.3
	Samsung Suzhou Electronics Export Co., Ltd. (SSEC-E)	Manufacture of home appliances	100.0
	Samsung Electronics Suzhou Computer Co., Ltd. (SESC)	R&D	100.0
	Tianjin Samsung Telecom Technology Co., Ltd. (TSTC)	Manufacture of communication equipment	90.0
	Beijing Samsung Telecom R&D Center (SRC-Beijing)	R&D	100.0
	Samsung Electronics China R&D Center (SRC-Nanjing)	R&D	100.0
	Samsung Mobile R&D Center China-Guangzhou (SRC-Guangzhou)	R&D	100.0
	Samsung R&D Institute China-Shenzhen (SRC-Shenzhen)	R&D	100.0
	Shanghai Samsung Semiconductor Co., Ltd. (SSS)	Sale of semiconductor and display panels	100.0
	Samsung (China) Semiconductor Co., Ltd. (SCS)	Manufacture of semiconductors	100.0
	Samsung SemiConductor Xian Co., Ltd. (SSCX)	Sale of semiconductor and display panels	100.0
	Samsung Electronics Suzhou Semiconductor Co., Ltd. (SESS)	Toll processing of semiconductors	100.0
	Tianjin Samsung LED Co., Ltd. (TSLED)	Manufacture of LED	100.0
	Samsung Semiconductor (China) R&D Co., Ltd. (SSCR)	R&D	100.0
	Samsung Display Dongguan Co., Ltd. (SDD)	Manufacture of display panels	100.0
	Samsung Display Tianjin Co., Ltd. (SDT)	Manufacture of display panels	95.0
	SEMES (XIAN) Co., Ltd.	Semiconductor/FPD equipment services	100.0
	Samsung Semiconductor Investment L.P.I	Technology business, and venture capital investments	99.0
	Harman (China) Technologies Co., Ltd.	Manufacture of audio products	100.0
	Harman (Suzhou) Audio and Infotainment Systems Co., Ltd.	Sale of audio products	100.0
	Harman Automotive Electronic Systems (Suzhou) Co., Ltd.	Manufacture of audio products and R&D	100.0
	Harman Commercial (Shanghai) Co., Ltd.	Sale of audio products	100.0
	Harman Connected Services Solutions (Chengdu) Co., Ltd.	Connected service provider	100.0
	Harman Holding Limited	Sale of audio products	100.0
	Harman International (China) Holdings Co., Ltd.	Sale of audio products and R&D	100.0
	Harman Technology (Shenzhen) Co., Ltd.	Sale of audio products and R&D	100.0
	Sound United Hong Kong Limited	Management of overseas subsidiaries	100.0
	Sound Electronics (Shenzhen) Co. Ltd.	R&D	100.0

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## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

<b>Region</b>	<b>Subsidiaries</b>	<b>Business</b>	<b>Percentage of ownership (%)<sup>(*)</sup></b>
China	D&M Sales & Marketing (H.K) Ltd.	Sale of audio products	100.0
	D&M Digital Audio Trading (Shanghai) Ltd.	Management of overseas subsidiaries	100.0
	Marantz Shanghai Trading Ltd.	Management of overseas subsidiaries	100.0
	D&M Shanghai Electronics Ltd.	Sale of audio products	100.0
	D&M Sales & Marketing Taiwan Ltd.	Sale of audio products	100.0
	Bowers & Wilkins Trading Zhuhai Company Ltd.	Manufacture of audio products	100.0
	B&W Group Asia Limited	Sale of audio products	100.0
Domestic	Samsung Display Co., Ltd.	Manufacture and sale of display panels	84.8
	SU Materials	Manufacture of display panel components	50.0
	STECO Co., Ltd.	Manufacture of semiconductor components	70.0
	SEMES Co., Ltd.	Manufacture and sale of semiconductor/FPD	91.5
	Samsung Electronics Service Co., Ltd.	Repair services for electronic devices	99.3
	Samsung Electronics Service Customer Satisfaction Co., Ltd.	Call center for repair services for electronic devices	100.0
	Samsung Electronics Sales Co., Ltd.	Sale of electronic devices	100.0
	Samsung Electronics Logitech Co., Ltd.	General logistics agency	100.0
	Samsung Medison Co., Ltd.	Manufacture and sale of medical equipment	68.5
	Stella Forest of Hope	Manufacture of food	100.0
	Mirero System Co., Ltd.	Development and supply of semiconductor process defect and quality control software	99.9
	Harman International Korea	Software development and supply	100.0
	Rainbow Robotics Co., Ltd.	Manufacture and sale of robots and robot parts	35.0
	D&M Sales & Marketing Korea Ltd.	Sale of audio products	100.0
	Samsung Venture Capital Union #21	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #22	Technology business, Venture capital investments	99.0
	Samsung Venture Capital Union #26	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #28	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #32	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #33	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #42	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #43	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #45	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #52	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #55	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #56	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #57	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #62	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #67	Venture capital investments in technology business	99.0
	Samsung Venture Capital Union #74	Venture capital investments in technology business	99.0
	Growth Type Private Equity Trust Specialized in Semiconductors	Investment in semiconductor industry	66.7
	System LSI Mutual Benefit Private Equity Trust	Investment in semiconductor industry	62.5
	Semiconductor Ecosystem Private Equity Trust	Investment in semiconductor industry	66.7

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# Samsung Electronics Co., Ltd. and its subsidiaries

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

### 1.3 Summary of Financial Data of Major Consolidated Subsidiaries

Summary of financial data of major consolidated subsidiaries is as follows:

(1) 2025

<i>(In millions of Korean won)</i>	September 30, 2025					
	As of September 30, 2025		For the three-month period ended		For the nine-month period ended	
Major subsidiaries <sup>(*)1</sup>	Assets	Liabilities	Sales	Profit (loss)	Sales	Profit (loss)
Samsung Display Co., Ltd.	73,803,399	8,231,796	7,100,773	1,614,941	17,421,583	3,933,433
Samsung Electronics America, Inc. (SEA)	48,741,640	16,975,555	10,788,733	179,871	31,145,709	1,119,688
Samsung Asia Pte. Ltd. (SAPL)	34,496,085	271,568	-	345,406	-	4,924,384
Samsung Austin Semiconductor LLC. (SAS)	30,146,256	16,930,525	768,315	1,874,372	3,065,125	2,298,265
Harman and its subsidiaries <sup>(*)2</sup>	22,093,531	7,017,430	3,942,196	185,915	11,166,779	798,213
Samsung Semiconductor, Inc. (SSI)	20,599,986	12,427,439	15,149,414	124,996	37,869,874	298,493
Samsung (China) Semiconductor Co., Ltd. (SCS)	14,936,172	972,690	2,225,019	168,781	6,639,592	702,336
Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT)	12,970,064	3,963,024	9,366,682	800,658	29,043,687	2,001,116
Samsung India Electronics Private Ltd. (SIEL)	10,986,886	3,847,209	4,919,662	570,025	14,490,919	1,356,650
Samsung (CHINA) Investment Co., Ltd. (SCIC)	10,663,620	9,834,392	756,013	1,695	2,133,542	(14,092)
Samsung Electronics Europe Holding Cooperatief U.A. (SEEH)	9,244,355	3,018,987	-	34,855	-	150,285
Samsung Electronics Vietnam Co., Ltd. (SEV)	7,816,387	2,547,233	7,167,695	606,976	18,922,604	1,420,288
Samsung Display Vietnam Co., Ltd. (SDV)	7,719,759	2,660,659	5,673,131	205,749	13,602,681	607,978
Shanghai Samsung Semiconductor Co., Ltd. (SSS)	6,480,711	6,160,952	8,267,104	117,342	20,612,820	311,213
Samsung Eletronica da Amazonia Ltda. (SEDA)	4,942,677	1,644,222	1,648,921	(144,509)	5,335,466	(225,849)
Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC)	4,941,185	737,712	1,772,871	82,853	5,783,065	339,969
Samsung Electronics (UK) Ltd. (SEUK)	3,370,575	2,384,538	1,631,978	(67,520)	4,863,771	61,682
Samsung Electronics Europe Logistics B.V. (SELS)	2,742,293	2,035,094	4,164,723	213,097	12,846,933	454,030
Samsung International, Inc. (SII)	2,614,217	670,063	2,113,026	53,239	5,601,956	176,737
Samsung Electronics Mexico S.A. De C.V. (SEM)	2,574,655	1,185,693	1,012,972	(21,004)	3,321,907	122,037
SEMES Co., Ltd.	2,440,804	650,881	567,950	53,866	1,667,688	131,481
Thai Samsung Electronics Co., Ltd. (TSE)	2,245,792	680,621	1,183,562	(15,783)	3,926,331	141,828
Samsung Japan Corporation (SJC)	2,118,186	1,804,233	1,119,516	8,304	2,800,527	18,066
Samsung Electronics Benelux B.V. (SEBN)	2,084,452	840,403	746,333	(22,913)	2,345,214	(15,067)
Samsung Electronics Taiwan Co., Ltd. (SET)	2,077,856	1,778,250	1,905,337	24,060	5,195,247	42,343

(\*)1 Summary of financial information is based on separate financial statements of each subsidiary.

(\*)2 Consolidated financial data of an intermediate company that includes Harman International Industries, Inc. and its subsidiaries.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(2) 2024

<i>(In millions of Korean won)</i>	September 30, 2024					
	As of December 31, 2024		For the three-month period ended		For the nine-month period ended	
	Major subsidiaries <sup>(*)1</sup>	Assets	Liabilities	Sales	Profit (loss)	Sales
Samsung Display Co., Ltd.	67,541,382	8,305,660	7,210,694	1,574,730	18,286,880	4,810,511
Samsung Electronics America, Inc. (SEA)	50,777,503	18,653,435	10,614,272	221,799	30,674,582	555,774
Samsung Asia Pte. Ltd. (SAPL)	31,226,978	353,722	-	335,101	-	4,950,820
Samsung Austin Semiconductor LLC. (SAS)	27,546,958	16,107,374	1,204,206	476,266	3,378,359	732,721
Samsung Semiconductor, Inc. (SSI)	21,719,875	13,462,128	12,717,008	56,683	30,443,783	257,885
Harman and its subsidiaries <sup>(*)2</sup>	20,934,732	6,714,174	3,526,058	319,585	10,324,797	723,077
Samsung (China) Semiconductor Co., Ltd. (SCS)	18,796,411	900,205	2,588,077	238,418	8,609,499	882,856
Samsung (CHINA) Investment Co., Ltd. (SCIC)	16,111,528	15,246,946	661,677	35,767	2,101,375	47,383
Samsung Electronics Vietnam THAINGUYEN Co., Ltd. (SEVT)	13,497,264	3,802,597	7,922,490	492,134	26,411,478	2,010,454
Samsung India Electronics Private Ltd. (SIEL)	9,561,708	3,226,735	4,630,555	451,767	13,533,065	1,211,772
Samsung Electronics Europe Holding CooperatiefU.A. (SEEH)	9,093,393	3,452,430	-	39,279	-	160,555
Samsung Electronics Vietnam Co., Ltd. (SEV)	7,819,080	2,167,121	6,099,276	379,408	17,049,546	1,306,961
Samsung Display Vietnam Co., Ltd. (SDV)	7,724,664	1,955,376	5,938,972	252,940	15,048,714	632,663
Shanghai Samsung Semiconductor Co., Ltd. (SSS)	6,467,878	5,635,634	7,712,379	130,195	23,590,340	362,423
Samsung Electronics HCMC CE Complex Co., Ltd. (SEHC)	4,863,158	807,341	1,843,288	116,637	5,311,618	230,777
Samsung Eletronica da Amazonia Ltda. (SEDA)	4,679,383	1,486,272	1,941,237	32,740	6,122,245	245,822
Samsung Electronics (UK) Ltd. (SEUK)	3,267,763	2,042,914	1,540,621	13,453	4,595,930	28,912
Thai Samsung Electronics Co., Ltd. (TSE)	2,637,138	502,266	1,159,388	(1,026)	3,513,176	30,903
Samsung International, Inc. (SII)	2,484,711	646,678	2,196,876	36,584	5,836,412	397,426
Samsung Electronics Taiwan Co., Ltd. (SET)	2,411,145	1,642,510	1,627,959	1,476	4,521,464	61,324
SEMES Co., Ltd.	2,365,712	705,818	569,591	38,985	1,814,825	116,029
Samsung Electronics GmbH (SEG)	2,118,638	2,049,463	1,412,462	27,011	4,724,019	(31,852)
Samsung Electronics Mexico S.A. De C.V. (SEM)	2,017,910	845,480	1,036,889	45,131	3,221,591	71,307
Samsung Electronics Europe Logistics B.V. (SELS)	1,928,760	1,710,124	3,580,674	(236,880)	12,133,190	501,382
Samsung Electronics Benelux B.V. (SEBN)	1,894,968	726,412	688,244	(2,429)	2,198,306	29,088

(\*)<sup>1</sup> Summary of financial information is based on separate financial statements of each subsidiary.

(\*)<sup>2</sup> Consolidated financial data of an intermediate company that includes Harman International Industries, Inc. and its subsidiaries.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 1.4 Changes in Consolidation Scope

Changes in consolidation scope during the nine-month period ended September 30, 2025 are as follows:

Change	Region	Subsidiary	Description
Newly included	Domestic	Rainbow Robotics Co., Ltd.	Acquisition
		D&M Sales & Marketing Korea Ltd.	Acquisition
		Samsung Venture Capital Union #74	Establishment
		RAINBOW ROBOTICS USA Co., Ltd.	Acquisition
	America	Harman Connected Services US Midco, LLC	Establishment
		Viper Holdings Corporation	Acquisition
		DEI Holdings, Inc.	Acquisition
		DEI Sales, Inc.	Acquisition
		Sound United, LLC	Acquisition
		Sound United Canada Inc.	Acquisition
Newly included	America	Polk Audio, LLC	Acquisition
		D&M Holdings U.S. Inc.	Acquisition
		Boston Acoustics, Inc.	Acquisition
		D&M Premium Sound Solutions, LLC	Acquisition
		Denon Electronics (USA), LLC	Acquisition
		Digital Networks North America Inc.	Acquisition
		Marantz America, LLC	Acquisition
		D&M Sales & Marketing Americas, LLC	Acquisition
		The Speaker Company	Acquisition
		Definitive Technology, LLC	Acquisition
	Europe/CIS	Equity International, LLC	Acquisition
		D&M Europe B.V.	Acquisition
		D&M Audiovisual Ltd.	Acquisition
		D&M France SAS	Acquisition
		D&M Germany GmbH	Acquisition
		B&W Group Ltd.	Acquisition
		B&W Group Belgium B.V.	Acquisition
		B&W Loudspeakers Nederland B.V.	Acquisition
		B&W Loudspeakers Group Espana S.A.	Acquisition
		B&W Loudspeakers Ltd.	Acquisition
		B&W Group (Schweiz) GmbH	Acquisition
		B&W Group (Logistics) Ltd.	Acquisition
		B&W Group Germany GmbH	Acquisition
		B&W Group France SARL	Acquisition
		B&W Group Finland Oy	Acquisition
		Marantz Italy Srl	Acquisition

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

<b>Change</b>	<b>Region</b>	<b>Subsidiary</b>	<b>Description</b>
Asia (Excluding China)		Bowers & Wilkins Ltd.	Acquisition
		D&M Holdings, Inc.	Acquisition
		Sound United Australia Pty Ltd.	Acquisition
		Sound United Sales & Marketing Australia Pty Limited	Acquisition
		Sound United Hong Kong Limited	Acquisition
		Sound Electronics (Shenzhen) Co. Ltd.	Acquisition
China		D&M Sales & Marketing (H.K) Ltd.	Acquisition
		D&M Digital Audio Trading (Shanghai) Ltd.	Acquisition
		Marantz Shanghai Trading Ltd.	Acquisition
Newly included	China	D&M Shanghai Electronics Ltd.	Acquisition
		D&M Sales & Marketing Taiwan Ltd.	Acquisition
		Bowers & Wilkins Trading Zhuhai Company Ltd.	Acquisition
		B&W Group Asia Limited	Acquisition
Excluded	Domestic	Samsung Venture Capital Union #37	Liquidation
	Europe/CIS	Studer Professional Audio GmbH	Liquidation

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 2. Material Accounting Policies

##### 2.1 Basis of Presentation

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

The interim consolidated financial statements for the nine-month period ended September 30, 2025 have been prepared in accordance with Korean IFRS 1034, *Interim Financial Reporting*. These interim consolidated financial statements have been prepared in accordance with the Korean IFRS which is effective as of September 30, 2025.

##### (A) New and amended standards adopted by the Company

The Company applied the following amended standards for the first time for the annual reporting period commencing January 1, 2025:

###### Amendments to Korean IFRS 1021, *The Effects of Changes in Foreign Exchange Rates*

The amendments require exchangeability of two currencies should be assessed in order to clarify reporting of foreign currency transactions in the absence of normal-functioning foreign exchange market. The amendments also require applicable spot exchange rate should be determined when the assessment indicates two currencies lack exchangeability. The adoption of the amendments does not have a significant impact on the Company's consolidated financial statements.

##### (B) New and amended standards not yet adopted by the Company

The amended accounting standards issued that are not yet effective for the annual reporting period commencing January 1, 2025 and have not been early adopted by the Company are as follows:

###### Amendments to Korean IFRS 1109, *Financial Instruments* and Korean IFRS 1107, *Financial Instruments: Disclosures*

The amendments have been implemented in order to respond to questions raised in practice and include new requirements. The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early application permitted. The amendments are as follows and impact on financial statements is under review by the Company.

- Permission to regard a financial liability as extinguished via an electronic payment system prior to the actual due date of settlement, when specified criteria are met.
- Guidelines to assess whether financial assets are merely composed of principal and interest are clarified and added.
- Disclosure of impact of contract terms that modify time and amount of contractual cash flows and the extent to which company is exposed are disclosed per each category of financial instruments
- Additional disclosure of financial assets measured at fair value through other comprehensive income

## **Samsung Electronics Co., Ltd. and its subsidiaries**

### **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

#### **2.2 Accounting Policies**

Material accounting policies and method of computation used in the preparation of the interim consolidated financial statements are consistent with those of the annual consolidated financial statements for the year ended December 31, 2024, except for the changes due to the application of amendments of standards described in Note 2.1 and as described below.

Income tax expense for the interim period is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year considering global minimum top-up tax. The estimated average annual effective income tax rate is applied to the pre-tax income of the interim period.

#### **2.3 Convenience Translation into United States Dollar Amounts**

The US dollar amounts provided in the consolidated financial statements represent supplementary information solely for the convenience of the reader. All Korean won amounts are expressed in US dollars at the rate of ₩ 1,413.1 to \$1, the average exchange rate for the nine-month period ended September 30, 2025. Such presentation is not in accordance with generally accepted accounting principles and should not be construed as a representation that the Korean won amounts shown could be readily converted, realized or settled in US dollars at this or at any other rate.

#### **2.4 Material Accounting Estimates and Assumptions**

In preparing the interim consolidated financial statements, the management of the Company makes judgements, estimates and assumptions on matters which affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates, by definition, seldom equal the related actual results

Material accounting estimates and assumptions made in the preparation of the interim consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements for the year ended December 31, 2024, except for the estimates used to determine the income tax expense.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**3. Financial Instruments by Category**

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

(1) As of September 30, 2025

(In millions of Korean won)	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit or loss	Other financial assets <sup>(*)</sup>	Total
<b>Financial assets</b>					
Cash and cash equivalents	53,399,483	-	-	-	53,399,483
Short-term financial instruments	55,044,173	-	-	-	55,044,173
Short-term financial assets at fair value through profit or loss	-	-	20,171	-	20,171
Trade receivables	50,538,790	-	-	-	50,538,790
Financial assets at fair value through other comprehensive income	-	14,911,925	-	-	14,911,925
Financial assets at fair value through profit or loss	-	-	1,195,607	-	1,195,607
Other	14,208,003	-	85,283	45,547	14,338,833
<b>Total</b>	<b>173,190,449</b>	<b>14,911,925</b>	<b>1,301,061</b>	<b>45,547</b>	<b>189,448,982</b>

<sup>(\*)</sup> Other financial assets include derivatives designated as hedging instruments which are not subject to categorizations.

(In millions of Korean won)	Financial liabilities measured at amortized cost	Financial liabilities measured at fair value through profit or loss	Other financial liabilities <sup>(*)</sup>	Total
<b>Financial liabilities</b>				
Trade payables	14,417,361	-	-	14,417,361
Short-term borrowings	500,437	-	9,346,392	9,846,829
Other payables	11,770,258	-	-	11,770,258
Current portion of long-term liabilities	36,417	-	1,133,623	1,170,040
Debentures	13,948	-	-	13,948
Long-term borrowings	2,001,933	-	3,639,530	5,641,463
Long-term other payables	5,080,716	-	-	5,080,716
Other	14,314,843	48,618	69,394	14,432,855
<b>Total</b>	<b>48,135,913</b>	<b>48,618</b>	<b>14,188,939</b>	<b>62,373,470</b>

<sup>(\*)</sup> Other financial liabilities include lease liabilities and derivatives designated as hedging instruments which are not subject to categorizations and collateralized borrowings.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(2) As of December 31, 2024

(In millions of Korean won)	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit or loss	Other financial assets <sup>(*)</sup>	Total
<b>Financial assets</b>				
Cash and cash equivalents	53,705,579	-	-	53,705,579
Short-term financial instruments	58,909,334	-	-	58,909,334
Short-term financial assets at fair value through profit or loss	-	-	36,877	36,877
Trade receivables	43,623,073	-	-	43,623,073
Financial assets at fair value through other comprehensive income	-	10,580,932	-	10,580,932
Financial assets at fair value through profit or loss	-	-	1,175,749	1,175,749
Other	14,378,224	-	476,394	44,262
<b>Total</b>	<b>170,616,210</b>	<b>10,580,932</b>	<b>1,689,020</b>	<b>44,262</b>
				<b>182,930,424</b>

<sup>(\*)</sup> Other financial assets include derivatives designated as hedging instruments which are not subject to categorizations.

(In millions of Korean won)	Financial liabilities measured at amortized cost	Financial liabilities measured at fair value through profit or loss	Other financial liabilities <sup>(*)</sup>	Total
<b>Financial liabilities</b>				
Trade payables	12,370,177	-	-	12,370,177
Short-term borrowings	338,058	-	12,834,446	13,172,504
Other payables	17,390,861	-	-	17,390,861
Current portion of long-term liabilities	1,106,764	-	1,100,526	2,207,290
Debentures	14,530	-	-	14,530
Long-term borrowings	6,537	-	3,929,323	3,935,860
Long-term other payables	4,779,141	-	-	4,779,141
Other	13,698,485	36,795	57,764	13,793,044
<b>Total</b>	<b>49,704,553</b>	<b>36,795</b>	<b>17,922,059</b>	<b>67,663,407</b>

<sup>(\*)</sup> Other financial liabilities include lease liabilities and derivatives designated as hedging instruments which are not subject to categorizations and collateralized borrowings.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**4. Financial Assets at Fair Value**

(A) Details of financial assets at fair value as of September 30, 2025 and December 31, 2024 are as follows:

(1) Financial assets at fair value through other comprehensive income

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
<b>Non-current</b>		
Equity instruments	14,911,925	10,580,932

(2) Financial assets at fair value through profit or loss

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
<b>Current</b>		
Debt instruments	20,171	36,877
<b>Non-current</b>		
Equity instruments	552,567	544,374
Debt instruments	643,040	631,375
<b>Subtotal</b>	1,195,607	1,175,749
<b>Total</b>	<b>1,215,778</b>	<b>1,212,626</b>

(B) Details of listed equity securities of financial assets at fair value as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won, number of shares and percentage)</i>	Number of shares owned	Percentage of ownership <sup>(*)</sup> (%)	September 30, 2025		December 31, 2024	
			Acquisition cost	Carrying amount (Market value)	Carrying amount (Market value)	
Samsung Heavy Industries Co., Ltd.	134,027,281	15.2	932,158	2,935,197	1,514,508	
Hotel Shilla Co., Ltd.	2,004,717	5.1	13,957	103,042	73,974	
iMarketKorea Inc.	647,320	1.9	324	5,308	5,179	
Wonik Holdings Co., Ltd.	3,518,342	4.6	30,821	51,544	8,972	
Wonik IPS Co., Ltd.	3,701,872	7.5	32,428	173,988	82,737	
Wacom Co., Ltd.	8,398,400	6.2	23,933	64,912	57,021	
Corning Incorporated	68,000,000	7.9	3,383,540	7,821,528	5,169,226	
Other			610,045	968,624	861,115	
<b>Total</b>	<b>5,027,206</b>		<b>5,027,206</b>	<b>12,124,143</b>	<b>7,772,732</b>	

<sup>(\*)</sup> Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

# Samsung Electronics Co., Ltd. and its subsidiaries

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

### 5. Inventories

Inventories as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	September 30, 2025			December 31, 2024		
	Gross amount	Valuation allowance	Carrying amount	Gross amount	Valuation allowance	Carrying amount
Finished goods	15,057,362	(1,944,050)	13,113,312	15,061,526	(1,219,250)	13,842,276
Work in process	24,959,068	(3,072,872)	21,886,196	24,808,183	(2,467,701)	22,340,482
Raw materials and supplies	14,921,199	(1,234,610)	13,686,589	15,442,327	(1,296,048)	14,146,279
Materials in transit	1,646,295	-	1,646,295	1,425,828	-	1,425,828
<b>Total</b>	<b>56,583,924</b>	<b>(6,251,532)</b>	<b>50,332,392</b>	<b>56,737,864</b>	<b>(4,982,999)</b>	<b>51,754,865</b>

### 6. Investments in Associates and Joint Ventures

(A) Changes in investments in associates and joint ventures for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025	2024
Balance as of January 1	12,592,117	11,767,444
Acquisition	388,764	10,999
Disposal	(4,123)	(28,908)
Share of profit	558,359	596,758
Other <sup>(*)</sup>	(238,281)	(110,319)
<b>Balance as of September 30</b>	<b>13,296,836</b>	<b>12,235,974</b>

<sup>(\*)</sup> Other consists of dividends, impairment, and reclassification.

(B) Major investments in associates and joint ventures as of September 30, 2025 are as follows:

#### (1) Investments in associates

Investee	Nature of relationship	Percentage of ownership(%) <sup>(*)1</sup>	Principal business location	Fiscal period-end
Samsung Electro-Mechanics Co., Ltd.	Manufacture and supply electronic components including passive components, circuit boards, and modules	23.7	Korea	December
Samsung SDS Co., Ltd.	Provide Information Technology (IT) services including computer programming, system integration and management and logistical services	22.6	Korea	December
Samsung Biologics Co., Ltd.	Investment in new business	31.2	Korea	December
Samsung SDI Co., Ltd. <sup>(*)2)(*)3</sup>	Manufacture and supply electronic components including secondary cell batteries	19.4	Korea	December
Cheil Worldwide, Inc.	Advertising agency	25.2	Korea	December

<sup>(\*)1</sup> Ownership represents the Company's ownership of the total ordinary shares issued by each entity.

<sup>(\*)2</sup> The Company's ownership of ordinary shares outstanding is 20.3%.

<sup>(\*)3</sup> The Company's ownership of ordinary shares issued and outstanding decreased due to the Company's participation of a non-proportional paid-in capital increase, by acquiring 2,201,295 shares out of 11,821,000 newly issued common shares.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

(C) Investments in joint ventures

<b>Investee</b>	<b>Nature of relationship with joint venture</b>	<b>Percentage of ownership (%)<sup>(*)</sup></b>	<b>Principal business location</b>	<b>Fiscal period-end</b>
Samsung Corning Advanced Glass LLC	Manufacture and supply industrial glass devices	50.0	Korea	December

<sup>(\*)</sup> Ownership represents the Company's ownership of the total ordinary shares issued by the entity.

(D) Details of investments in significant associates and joint ventures as of September 30, 2025 and December 31, 2024 are as follows:

(1) Investments in associates

<i>(In millions of Korean won)</i>		<b>September 30, 2025</b>	
<b>Investee</b>	<b>Acquisition cost</b>	<b>Net asset value of equity shares<sup>(*)1</sup></b>	<b>Carrying amount</b>
Samsung Electro-Mechanics Co., Ltd.	359,237	2,150,979	2,165,698
Samsung SDS Co., Ltd.	147,963	2,177,599	2,191,078
Samsung Biologics Co., Ltd.	1,424,358	3,801,864	3,806,424
Samsung SDI Co., Ltd. <sup>(*)2</sup>	1,614,403	4,285,083	3,108,948
Cheil Worldwide, Inc.	506,162	423,917	724,413
Other	628,582	921,715	1,061,984
<b>Total</b>	<b>4,680,705</b>	<b>13,761,157</b>	<b>13,058,545</b>

<sup>(\*)1</sup> The Company's portion of net asset value of associates is based on the Company's percentage of ownership.

<sup>(\*)2</sup> The increased acquisition cost of ₩371,798 million for newly-issued shares consists of cash consideration of ₩308,181 million and the fair value of the preemptive right of ₩63,617 million.

<i>(In millions of Korean won)</i>		<b>December 31, 2024</b>	
<b>Investee</b>	<b>Acquisition cost</b>	<b>Net asset value of equity shares<sup>(*)</sup></b>	<b>Carrying amount</b>
Samsung Electro-Mechanics Co., Ltd.	359,237	2,058,412	2,067,669
Samsung SDS Co., Ltd.	147,963	2,108,195	2,120,417
Samsung Biologics Co., Ltd.	1,424,358	3,403,947	3,406,062
Samsung SDI Co., Ltd.	1,242,605	3,979,333	2,923,991
Cheil Worldwide, Inc.	506,162	418,029	718,561
Other	674,721	844,623	1,131,648
<b>Total</b>	<b>4,355,046</b>	<b>12,812,539</b>	<b>12,368,348</b>

<sup>(\*)</sup> The Company's portion of net asset value of associates is based on the Company's percentage of ownership.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(2) Investments in joint ventures

<i>(In millions of Korean won)</i>		<b>September 30, 2025</b>	
<b>Investee</b>	<b>Acquisition cost</b>	<b>Net asset value of equity shares (*)</b>	<b>Carrying amount</b>
Samsung Corning Advanced Glass LLC	215,000	146,826	146,806
Other	259,994	82,643	91,485
<b>Total</b>	<b>474,994</b>	<b>229,469</b>	<b>238,291</b>

(\*) The Company's portion of net asset value of joint ventures is based on the Company's percentage of ownership.

<i>(In millions of Korean won)</i>		<b>December 31, 2024</b>	
<b>Investee</b>	<b>Acquisition cost</b>	<b>Net asset value of equity shares (*)</b>	<b>Carrying amount</b>
Samsung Corning Advanced Glass LLC	215,000	143,198	143,178
Other	259,994	74,075	80,591
<b>Total</b>	<b>474,994</b>	<b>217,273</b>	<b>223,769</b>

(\*) The Company's portion of net asset value of joint ventures is based on the Company's percentage of ownership.

(E) Details of the changes in the book value of investments in associates and joint ventures using the equity method are as follows:

(1) For the nine-month period ended September 30, 2025

<i>(In millions of Korean won)</i>	<b>Balance as of January 1</b>	<b>Share of profit</b>	<b>Share of other comprehensive income (loss)</b>	<b>Other<sup>(*)</sup></b>	<b>Balance as of September 30</b>
Samsung Electro-Mechanics Co., Ltd.	2,067,669	118,651	11,226	(31,848)	2,165,698
Samsung SDS Co., Ltd.	2,120,417	131,649	(10,319)	(50,669)	2,191,078
Samsung Biologics Co., Ltd.	3,406,062	400,271	91	-	3,806,424
Samsung SDI Co., Ltd.	2,923,991	(160,241)	(13,138)	358,336	3,108,948
Cheil Worldwide, Inc.	718,561	41,249	320	(35,717)	724,413
Samsung Corning Advanced Glass LLC	143,178	3,628	-	-	146,806
Other	1,212,239	23,152	12,290	(94,212)	1,153,469
<b>Total</b>	<b>12,592,117</b>	<b>558,359</b>	<b>470</b>	<b>145,890</b>	<b>13,296,836</b>

(\*) Other consists of acquisitions, disposals, dividends, impairment and reclassification.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(2) For the nine-month period ended September 30, 2024

<i>(In millions of Korean won)</i>	<b>Balance as of January 1</b>	<b>Share of Profit (loss)</b>	<b>Share of other comprehensive income (loss)</b>	<b>Other<sup>(*)</sup></b>	<b>Balance as of September 30</b>
Samsung Electro-Mechanics Co., Ltd.	1,841,393	114,638	28,341	(20,346)	1,964,026
Samsung SDS Co., Ltd.	1,966,206	129,414	2,963	(47,175)	2,051,408
Samsung Biologics Co., Ltd.	3,073,595	238,363	(1,195)	-	3,310,763
Samsung SDI Co., Ltd.	2,912,564	43,281	(6,927)	(13,463)	2,935,455
Cheil Worldwide, Inc.	669,363	48,454	6,701	(32,232)	692,286
Samsung Corning Advanced Glass LLC	138,938	(70)	-	-	138,868
Other	1,165,385	22,678	9,869	(54,764)	1,143,168
<b>Total</b>	<b>11,767,444</b>	<b>596,758</b>	<b>39,752</b>	<b>(167,980)</b>	<b>12,235,974</b>

<sup>(\*)</sup> Other consists of acquisitions, disposals, dividends, impairment, and reclassification.

(F) Summary of the financial information of major associates and joint ventures

(1) Summary of financial information of major associates and dividends received from associates as of September 30, 2025 and December 31, 2024, and for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>				
	<b>Samsung Electro- Mechanics Co., Ltd.</b>	<b>Samsung SDS Co., Ltd.</b>	<b>Samsung Biologics Co., Ltd.</b>	<b>Samsung SDI Co., Ltd.</b>	<b>Cheil Worldwide, Inc.</b>
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>1. Condensed financial information</b>					
<b>Condensed statements of financial position :</b>					
Current assets	6,993,177	9,273,536	6,361,638	9,894,087	2,733,374
Non-current assets	6,849,036	3,961,202	11,975,666	32,280,460	705,894
Current liabilities	3,561,045	2,354,497	3,771,311	9,518,987	1,539,083
Non-current liabilities	855,433	894,253	2,386,576	9,182,684	406,740
Non-controlling interests	241,323	345,615	-	1,945,204	14,912
<b>Condensed statements of comprehensive income:</b>					
Revenue	8,412,314	10,393,066	4,248,399	9,408,044	3,347,174
Profit (Loss) from continuing operations, net of tax <sup>(*)</sup>	483,831	577,254	1,274,399	(608,223)	143,891
Loss (Gain) from discontinued operations, net of tax <sup>(*)</sup>	(528)	-	-	283,029	-
Other comprehensive income (loss) <sup>(*)</sup>	48,076	(46,913)	342	507,326	8,747
<b>Total comprehensive income<sup>(*)</sup></b>	<b>531,379</b>	<b>530,341</b>	<b>1,274,741</b>	<b>182,132</b>	<b>152,638</b>
<b>2. Dividends from associates</b>					
Dividends	31,848	50,669	-	13,463	35,717

<sup>(\*)</sup> Profit (loss) attributable to owners of the investee

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

	2024				
	Samsung Electro- Mechanics Co., Ltd.	Samsung SDS Co., Ltd.	Samsung Biologics Co., Ltd.	Samsung SDI Co., Ltd.	Cheil Worldwide, Inc.
<i>(In millions of Korean won)</i>					
<b>1. Condensed financial information</b>					
<b>Condensed statements of financial position:</b>					
Current assets	5,891,746	9,003,787	5,518,118	10,334,313	2,754,194
Non-current assets	6,900,656	4,234,543	11,818,179	30,263,032	568,459
Current liabilities	3,056,861	2,495,409	3,853,188	10,855,694	1,594,190
Non-current liabilities	719,688	1,037,472	2,578,432	8,174,413	251,659
Non-controlling interests	226,693	372,330	-	1,800,842	18,806
<b>Condensed statements of comprehensive income:</b>					
Revenue	7,801,822	10,185,908	3,290,883	12,837,791	3,179,995
Profit from continuing operations, net of tax <sup>(*)</sup>	479,587	567,197	761,822	780,092	168,959
Loss (Gain) from discontinued operations, net of tax <sup>(*)</sup>	(8,846)	-	-	45,745	-
Other comprehensive income (loss) <sup>(*)</sup>	121,155	35,297	(765)	198,912	23,318
<b>Total comprehensive income<sup>(*)</sup></b>	<b>591,896</b>	<b>602,494</b>	<b>761,057</b>	<b>1,024,749</b>	<b>192,277</b>
<b>2. Dividends from associates</b>					
Dividends	20,347	47,175	-	13,463	32,232

<sup>(\*)</sup> Profit (loss) attributable to owners of the investee.

- (2) Summary of financial information of major joint ventures and dividends received from joint ventures as of September 30, 2025 and December 31, 2024, and for the nine-month periods ended September 30, 2025 and 2024 are as follows:

	Samsung Corning Advanced Glass, LLC	
	2025	2024
<i>(In millions of Korean won)</i>		
<b>Condensed financial information</b>		
<b>Condensed statements of financial position:</b>		
Current assets	116,281	120,786
Non-current assets	211,199	199,017
Current liabilities	33,223	33,294
Non-current liabilities	605	113
<b>Condensed statements of comprehensive income:</b>		
Revenue	136,621	114,093
Profit (Loss) from continuing operations, net of tax	7,256	(2,475)
<b>Total comprehensive Income (loss)</b>	<b>-</b>	<b>-</b>
<b>Dividends from joint ventures</b>		
Dividends	-	-

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

- (3) Profit attributable to owners of the parent company from associates and joint ventures which are not individually material for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	Associates	Joint ventures	Associates	Joint ventures
Profit from continuing operations	21,282	1,870	20,643	2,035
Other comprehensive income	6,401	5,889	9,563	306
<b>Total comprehensive income</b>	<b>27,683</b>	<b>7,759</b>	<b>30,206</b>	<b>2,341</b>

- (G) Details of marketable investments in associates as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won and number of shares)</i>	September 30, 2025		December 31, 2024	
	Number of shares held	Market value	Market value	Market value
Samsung Electro-Mechanics Co., Ltd.	17,693,084	3,423,612	2,190,404	
Samsung SDS Co., Ltd.	17,472,110	2,868,920	2,232,936	
Samsung Biologics Co., Ltd.	22,217,309	22,150,657	21,084,226	
Samsung SDI Co., Ltd.	15,663,968	3,211,113	3,332,012	
Cheil Worldwide, Inc.	29,038,075	589,473	492,195	

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### (H) Other matters

On July 12, 2018, the Korea Securities and Futures Commission determined an initial measure following an investigation relating to Samsung Biologics Co., Ltd., an associate of the Company, and its accounting for its investment in Samsung Bioepis Co., Ltd, a joint venture between Biogen Therapeutics Inc. and Samsung Biologics Co., Ltd. This measure included a recommendation to dismiss the director in charge, prosecution charges, and external auditor designation by the regulator, on the basis that the Joint Venture Agreement was not disclosed in the notes to the financial statements. On November 14, 2018, the Korea Securities and Futures Commission determined a second measure which included a penalty of ₩8,000 million, a recommendation to dismiss the CEO, a requirement to restate its financial statements, and further prosecution charges.

To prove justification of its accounting treatment, Samsung Biologics Co., Ltd. filed a suit for cancellation of the aforementioned measures to the Seoul Administrative Court, which is currently in progress. On September 24, 2020, the Seoul Administrative Court announced a decision to cancel the first measure charged by the Korea Securities and Futures Commission and suspended its execution until the final rulings of appeal. On June 11, 2025, Seoul High Court upheld the original decision in the appellate court, but the Korea Securities and Futures Commission appealed to the Supreme Court of Korea on June 30, 2025. On September 25, 2025, the Supreme Court of Korea dismissed the final appeal and reaffirmed the full cancellation of the first measure. Regarding the lawsuit seeking the cancellation of the second measure, the Seoul Administrative Court rendered a judgment on August 14, 2024, to revoke the administrative disposition imposed by the Korea Securities and Futures Commission. However, the Korea Securities and Futures Commission filed an appeal on August 28, 2024, and the case is currently pending before the Seoul High Court.

Samsung Biologics Co., Ltd. also filed for suspending the execution of the initial and second measures. On January 22, 2019 and February 19, 2019, the Seoul Administrative Court pronounced decisions to suspend the second and initial measures, respectively, until the final rulings. The Korea Securities and Futures Commission immediately appealed against the decisions but the appeals were dismissed by the Seoul High Court on May 13, 2019 and May 24, 2019, in relation to the second and first measures, respectively. On May 23, 2019 and June 10, 2019, the Korea Securities and Futures Commission re-appealed against the dismissals relating to the second and first measures, respectively. On September 6, 2019 and October 11, 2019, the Supreme Court of Korea dismissed the Korea Securities and Futures Commission's re-appeal relating to the second and first measures, respectively, and confirmed the decision to suspend the execution of these measures.

Although the future outcome of the administrative litigation cannot be estimated, should Samsung Biologics Co., Ltd. be required to restate its financial statements to amend its historical accounting treatment relating to its investment in Samsung Bioepis Co., Ltd., the Company's share of profit or loss relating to its equity method investment, the amount of investment in associates, and retained earnings, for the years ended December 31, 2015 and onwards, and the profit on disposal of investment for the year ended December 31, 2016, may be impacted. Given the timing of completion and the final result of the administrative litigation between Samsung Biologics Co., Ltd. and the Korea Securities and Futures Commission is uncertain and cannot currently be estimated, it is not possible for the Company to recognize the effects of these proceedings in the current period consolidated financial statements.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**7. Property, Plant and Equipment**

(A) Changes in property, plant and equipment for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Balance as of January 1	205,945,209	187,256,262
Acquisition and capital expenditures	33,148,977	36,850,301
Acquisition from business combination	152,286	-
Depreciation	(32,248,891)	(28,915,583)
Disposals/scrap/impairment	(384,556)	(654,829)
Held-for-sale	(22,527)	-
Other <sup>(*)</sup>	(1,729,421)	492,622
<b>Balance as of September 30</b>	<b>204,861,077</b>	<b>195,028,773</b>

<sup>(\*)</sup> Other includes effects of changes in foreign currency exchange rates, government grant offset and other.

(B) Details of depreciation of property, plant and equipment for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Cost of sales	28,327,335	25,632,347
Selling and administrative expenses and other	3,921,556	3,283,236
<b>Total</b>	<b>32,248,891</b>	<b>28,915,583</b>

(C) Right-of-use assets as of September 30, 2025 amount to ₩5,363,992 million (December 31, 2024: ₩5,660,885 million). During the nine-month periods ended September 30, 2025 and 2024, newly recognized right-of-use assets amount to ₩972,950 million and ₩1,009,402 million, respectively, with relevant depreciation of ₩939,829 million and ₩906,841 million, respectively.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**8. Intangible Assets**

(A) Changes in intangible assets for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Balance as of January 1	23,738,566	22,741,862
External acquisitions	3,237,638	1,987,741
Acquisition from business combination	2,368,983	162,170
Amortization	(2,445,669)	(2,214,669)
Disposals/scrap/impairment	(169,793)	(43,129)
Held-for-sale	(389,075)	-
Other <sup>(*)</sup>	128,478	443,482
<b>Balance as of September 30</b>	<b>26,469,128</b>	<b>23,077,457</b>

<sup>(\*)</sup> Other includes the effects of changes in foreign currency exchange rates and others.

(B) Details of amortization of intangible assets for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Cost of sales	1,658,846	1,500,766
Selling and administrative expenses and other	786,823	713,903
<b>Total</b>	<b>2,445,669</b>	<b>2,214,669</b>

# Samsung Electronics Co., Ltd. and its subsidiaries

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

### 9. Borrowings

Details of the carrying amounts of borrowings as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>Financial institutions</b>	<b>Interest rates (%)</b>		
		<b>as of September 30, 2025</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
<b>Short-term borrowings</b>				
Collateralized borrowings <sup>(*)1</sup>	Woori Bank and others	0.3~15.9	9,347,408	12,834,446
Non-collateralized borrowings	Citibank and others	0.0~40.8	499,421	338,058
<b>Total</b>			<b>9,846,829</b>	<b>13,172,504</b>
<b>Current portion of long-term borrowings</b>				
Bank borrowings	BNP and others	37.0	29,473	510,756
Lease liabilities <sup>(*)2</sup>	CSSD and others	4.9	1,133,624	1,100,526
<b>Total</b>			<b>1,163,097</b>	<b>1,611,282</b>
<b>Long-term borrowings</b>				
Korea Development Bank				
Bank borrowings	and others	0.0~7.4	2,001,933	6,537
Lease liabilities <sup>(*)2</sup>	CSSD and others	4.9	3,639,530	3,929,323
<b>Total</b>			<b>5,641,463</b>	<b>3,935,860</b>

(\*)1 Collateralized borrowings are secured by trade receivables.

(\*)2 Interest expenses arising from the lease liabilities for the nine-month periods ended September 30, 2025 and 2024 amount to ₩179,625 million and ₩165,307 million, respectively, which are determined using the weighted average incremental borrowing rate.

### 10. Debentures

Details of the carrying amounts of debentures as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>Issue date</b>	<b>Due date</b>	<b>Interest rates (%)</b>		
			<b>as of September 30, 2025</b>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
US dollar denominated straight bonds <sup>(*)1</sup>	1997.10.2	2027.10.1	7.7	21,033 (US \$ 15 million)	22,050 (US \$ 15 million)
US dollar denominated debentures <sup>(*)2</sup>	2015.5.11	2025.5.15	4.2	-	588,000 (US \$ 400 million)
Less: Discounts				(142)	(255)
Add: Premium				-	743
Less: Current portion				(6,943)	(596,008)
<b>Total</b>				<b>13,948</b>	<b>14,530</b>

(\*)1 US dollar denominated straight bonds are repaid annually for twenty years after a ten-year grace period from the date of issuance. Interest is paid semi-annually in arrears.

(\*)2 US dollar denominated debentures with a 10-year maturity, issued by Harman International Industries, Inc. were fully repaid on the maturity during the nine-month period ended September 30, 2025.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**11. Net Defined Benefit Liabilities (Assets)**

- (A) Details of net defined benefit liabilities (assets) recognized in the statements of financial position as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Present value of funded defined benefit obligations	17,261,031	16,965,629
Present value of unfunded defined benefit obligations	434,494	379,155
<b>Subtotal</b>	<b>17,695,525</b>	<b>17,344,784</b>
Fair value of plan assets	(19,526,705)	(19,912,945)
<b>Total</b>	<b>(1,831,180)</b>	<b>(2,568,161)</b>

- (B) The components of defined benefit costs recognized in profit or loss for the nine-month periods ended September 30, 2025 and 2024 relating to defined benefit plans are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Current service cost	1,134,852	1,047,737
Net interest income	(98,862)	(196,885)
Past service cost	(145)	(572)
Other	5,092	29,624
<b>Total</b>	<b>1,040,937</b>	<b>879,904</b>

- (C) The expenses related to defined benefit plans recognized in the statements of profit or loss for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Cost of sales	437,050	353,571
Selling and administrative expenses and other	603,887	526,333
<b>Total</b>	<b>1,040,937</b>	<b>879,904</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**12. Provisions**

Changes in the provisions for the nine-month period ended September 30, 2025 are as follows:

<i>(In millions of Korean won)</i>	<b>Warranty (A)</b>	<b>Royalty (B)</b>	<b>Long-term incentives (C)</b>	<b>Other (D, E)</b>	<b>Total</b>
Balance as of January 1	2,734,501	2,793,901	813,011	4,995,100	11,336,513
Charged to (reversed in) profit or loss	1,200,390	203,849	233,887	357,077	1,995,203
Payment	(1,380,496)	(979,575)	(236,822)	(481,276)	(3,078,169)
Other <sup>(*)</sup>	33,768	(161,752)	(108,314)	(45,606)	(281,904)
<b>Balance as of September 30</b>	<b>2,588,163</b>	<b>1,856,423</b>	<b>701,762</b>	<b>4,825,295</b>	<b>9,971,643</b>

<sup>(\*)</sup> Other includes effects of changes in foreign currency exchange rates and ₩102,692 million reclassified to other components of equity pursuant to stock grant agreement as a partial payment of long-term incentives.

- (A) The Company accrues warranty provisions for estimated costs of quality assurance, exchanges, repairs, recalls, and future services based on historical experience and terms of warranty programs.
- (B) The Company recognizes provisions for the estimated royalty expenses that are under negotiation with counterparties. The timing and amount of payment depend on the settlement of the negotiations.
- (C) The Company has a long-term incentive plan for its executives based on three-year management performance criteria and recognizes a provision for the estimated incentive cost.
- (D) The Company records provisions for future expenses expected to be incurred for products that have been discontinued from manufacturing and sales.
- (E) The Company makes provisions for the emission in excess of the emission rights held by the Company for the applicable years. Details of emission rights and liabilities as of September 30, 2025 are as follows:

<i>(In ten thousand metric tons)</i>	<b>September 30, 2025</b>
Emission rights allocated free of charge	1,630
Estimated volume of emission	1,861

- (2) Changes in the emission rights for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Balance as of January 1	3,137	3,137
Acquisition	-	-
Utilization	-	-
<b>Balance as of September 30</b>	<b>3,137</b>	<b>3,137</b>

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

(3) Changes in the emission liabilities for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Balance as of January 1	174	137
Charged to profit or loss	34	(33)
Utilization	(78)	-
<b>Balance as of September 30</b>	<b>130</b>	<b>104</b>

### 13. Commitments and Contingencies

#### (A) Litigation

As of September 30, 2025, the Company is involved in various claims, disputes, and investigations conducted by regulatory bodies that arose during the normal course of business with numerous entities. Although the outflow of resources and timing of these matters are uncertain, the Company believes the outcome will not have a material impact on the financial position of the Company.

#### (B) Other commitments

As of September 30, 2025, contractual commitments for the acquisition of property, plant and equipment and intangible assets amount to ₩12,003,099 million.

### 14. Contract Liabilities

The Company has recognized contract liabilities related to contracts with customers as follows:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Contract liabilities <sup>(*)</sup>	14,465,453	13,523,368

<sup>(\*)</sup> Contract liabilities include advances received, accrued expenses, other current liabilities and others.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 15. Share Capital

As of September 30, 2025, the Company's total number of authorized shares is 25,000,000,000 shares (₩100 per share). As well as its ordinary shares, the Company also has non-cumulative preference shares that are eligible for an additional 1% cash dividend over par value per annum compared to ordinary shares, but without voting rights. The Company has issued 5,919,637,922 shares of ordinary shares and 815,974,664 shares of preference shares as of September 30, 2025, excluding the number of retired shares. The number of shares outstanding is different from the aforementioned number of shares issued due to purchase of treasury shares. Due to the retirement of shares, the total par value of the shares issued which excludes the number of retired shares is ₩673,561 million (ordinary shares of ₩591,964 million and preference shares of ₩81,597 million), which does not agree with paid-in capital of ₩897,514 million.

(Number of shares)	Ordinary shares outstanding	Preference shares outstanding
As of January 1, 2024	5,969,782,550	822,886,700
Treasury shares purchased	(29,700,000)	(4,050,000)
As of December 31, 2024	5,940,082,550	818,836,700
As of January 1, 2025	5,940,082,550	818,836,700
Treasury shares purchased	(117,893,875)	(16,399,024)
Treasury shares granted	6,036,090	-
As of September 30, 2025	5,828,224,765	802,437,676

The Company retired 50,144,628 ordinary shares and 6,912,036 preference shares during the nine-month period ended September 30, 2025, with a total acquisition cost of ₩3,049,040 million, pursuant to the board of directors' resolution on February 18, 2025. The Company granted 6,036,090 treasury shares to its employees during the nine-month period ended September 30, 2025, with a total acquisition cost of ₩343,447 million, pursuant to the board of directors' resolutions on May 23, 2025 and July 25, 2025.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**16. Retained Earnings**

(A) Retained earnings as of September 30, 2025 and December 31, 2024 consist of the following:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Discretionary reserve and other	238,262,056	224,424,501
Unappropriated retained earnings	147,017,214	146,088,687
<b>Total</b>	<b>385,279,270</b>	<b>370,513,188</b>

(B) Details of interim dividends are as follows:

Interim dividends (Record date: March 31, June 30, and September 30, 2025 and 2024)

<i>(In millions of Korean won and number of shares)</i>		<b>2025</b>	<b>2024</b>
1 <sup>st</sup> Quarter	Number of shares eligible for dividends	Ordinary shares	5,892,637,922
		Preference shares	812,249,664
	Dividend rate (based on par value)	Ordinary/Preference	365%
		Ordinary shares	2,150,813
	Dividend amount	Preference shares	296,471
		<b>Total</b>	<b>2,447,284</b>
			<b>2,452,154</b>
2 <sup>nd</sup> Quarter	Number of shares eligible for dividends	Ordinary shares	5,876,745,450
		Preference shares	809,337,676
	Dividend rate (based on par value)	Ordinary/Preference	367%
		Ordinary shares	2,156,766
	Dividend amount	Preference shares	297,027
		<b>Total</b>	<b>2,453,793</b>
			<b>2,452,154</b>
3 <sup>rd</sup> Quarter	Number of shares eligible for dividends	Ordinary shares	5,828,224,765
		Preference shares	802,437,676
	Dividend rate (based on par value)	Ordinary/Preference	370%
		Ordinary shares	2,156,443
	Dividend amount	Preference shares	296,902
		<b>Total</b>	<b>2,453,345</b>
			<b>2,452,154</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**17. Other Components of Equity**

(A) Other components of equity as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Gain on valuation of financial assets at fair value through other comprehensive income	5,296,234	2,155,315
Share of other comprehensive income of associates and joint ventures	424,704	424,575
Gain on overseas business translation	15,723,095	18,614,960
Remeasurement of net defined benefit liabilities (assets)	(3,731,614)	(3,596,943)
Treasury shares	(6,568,583)	(1,811,775)
Share-based compensation	206,054	-
Other	70,577	86,876
<b>Total</b>	<b>11,420,467</b>	<b>15,873,008</b>

(B) Treasury shares as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won and number of shares)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Number of treasury shares purchased	Ordinary shares Preference shares	91,413,157 13,536,988
Acquisition cost	Ordinary shares Preference shares	29,700,000 4,050,000
	5,859,061 709,522	1,625,252 186,523

(C) Equity-settled performance incentive

The Company agreed to grant restricted stock awards (RSA) to executives as part of their performance incentives, which will be settled in January 2026. Accordingly, ₩63,912 million of performance incentives (1,176,383 ordinary shares), which is set to be equity-settled, was reclassified from accrued expense to other components of equity.

(D) Share-based compensation for employees and executives

The Company agreed to grant 30 ordinary shares to each of all employees and executives who were in service as of March 5, 2025, as agreed through labor-management negotiations. Accordingly, the Company recognized the fair value of 3,686,880 ordinary shares to be granted, amounting to ₩199,092 million as of the grant date, as wages and salaries and other components of equity. Grant of shares was completed during the nine-month period ended September 30, 2025.

Also, the Company agreed to grant a total of 3,139,790 ordinary shares as part of retention and motivation purposes for high-performance employees and recognized the fair value of ₩181,547 million as of the grant date, as welfare expense and other components of equity. Grant of shares was partially executed during the nine-month period ended September 30, 2025 and the grants of the remaining shares will be completed by 2026.

(E) Equity-settled long-term incentives

The Company agreed to grant shares for a portion of long-term incentives for executives and provisions amounting to ₩102,692 million, which is the fair value of 1,558,299 ordinary shares as of the grant date, was reclassified to other components of equity. Grant of shares was partially executed during the nine-month period ended September 30, 2025 and the grants of the remaining shares will be completed by 2026.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**18. Expenses by Nature**

Expenses by nature for the three and nine-month periods ended September 30, 2025 and 2024 consist of the following:

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
Changes in finished goods, work in process, and other	224,656	1,183,250	597,733	(396,638)
Raw materials used, merchandise purchased, and other	27,627,829	79,368,099	24,960,996	72,116,219
Wages and salaries	7,900,476	25,330,965	8,647,579	24,876,278
Post-employment benefit	364,920	1,202,815	373,411	1,088,347
Depreciation	10,961,595	32,248,891	10,308,425	28,915,583
Amortization	857,453	2,445,669	749,115	2,214,669
Welfare	1,778,514	5,666,204	1,613,546	5,014,355
Utilities	2,447,495	6,869,507	2,195,661	6,189,017
Outsourcing	2,268,862	6,666,525	2,012,305	5,779,356
Advertising	1,629,563	4,427,743	1,444,625	4,203,296
Sales promotion	2,150,212	6,209,533	1,937,967	5,554,795
Other	15,684,111	44,621,976	15,073,997	43,294,099
<b>Total<sup>(*)</sup></b>	<b>73,895,686</b>	<b>216,241,177</b>	<b>69,915,360</b>	<b>198,849,376</b>

<sup>(\*)</sup> Equal to the sum of cost of sales and selling and administrative expenses in the interim consolidated statement of profit or loss.

**19. Selling and Administrative Expenses**

Selling and administrative expenses for the three and nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
<b>Selling and administrative expenses</b>				
Wages and salaries	2,188,011	6,655,962	2,176,493	6,537,999
Post-employment benefit	41,751	244,095	106,070	297,335
Commissions	2,551,751	7,551,216	2,266,533	6,547,732
Depreciation	424,401	1,287,103	424,337	1,255,711
Amortization	203,264	589,957	180,620	532,590
Advertising	1,629,563	4,427,743	1,444,625	4,203,296
Sales promotion	2,150,212	6,209,533	1,937,967	5,554,795
Transportation	606,519	1,831,895	786,621	2,148,165
Service	948,502	2,660,354	886,518	2,910,159
Other	1,758,041	5,258,120	1,743,523	4,832,030
<b>Subtotal</b>	<b>12,502,015</b>	<b>36,715,978</b>	<b>11,953,307</b>	<b>34,819,812</b>
<b>Research and development expenses</b>				
Research and development	8,824,050	26,876,081	8,866,970	24,736,123
<b>Total</b>	<b>21,326,065</b>	<b>63,592,059</b>	<b>20,820,277</b>	<b>59,555,935</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**20. Other Non-Operating Income and Expenses**

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

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
<b>Other non-operating income</b>				
Dividend income	26,684	93,555	28,901	101,417
Rental income	37,586	113,531	39,082	116,801
Gain on disposal of property, plant and equipment	32,490	85,379	11,370	39,727
Other	146,679	1,360,029	633,561	1,218,751
<b>Total</b>	<b>243,439</b>	<b>1,652,494</b>	<b>712,914</b>	<b>1,476,696</b>

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
<b>Other non-operating expenses</b>				
Loss on disposal of property, plant and equipment	18,041	39,235	75,763	107,000
Donations	26,445	110,376	35,784	141,168
Other	294,394	713,876	441,505	931,773
<b>Total</b>	<b>338,880</b>	<b>863,487</b>	<b>553,052</b>	<b>1,179,941</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**21. Financial Income and Expenses**

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

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
<b>Financial income</b>				
Interest income:	1,172,233	3,462,777	1,231,838	3,582,119
Financial assets measured at amortized cost	1,172,177	3,462,611	1,231,772	3,581,969
Financial assets measured at fair value through profit or loss	56	166	66	150
Foreign exchange differences	1,615,092	6,535,151	2,151,676	6,470,989
Gain from derivatives	116,604	1,222,737	233,996	635,649
<b>Total</b>	<b>2,903,929</b>	<b>11,220,665</b>	<b>3,617,510</b>	<b>10,688,757</b>

<i>(In millions of Korean won)</i>	2025		2024	
	3 Months	9 Months	3 Months	9 Months
<b>Financial expenses</b>				
Interest expenses:	115,924	440,541	244,966	682,486
Financial liabilities measured at amortized cost	12,386	47,682	63,833	157,841
Other financial liabilities	103,538	392,859	181,133	524,645
Foreign exchange differences	1,438,617	6,446,654	2,322,090	6,874,638
Loss from derivatives	154,934	754,959	256,686	635,925
<b>Total</b>	<b>1,709,475</b>	<b>7,642,154</b>	<b>2,823,742</b>	<b>8,193,049</b>

The Company recognizes foreign exchange gains and losses arising from foreign currency transactions and translation as financial income and expenses.

**22. Income Tax Expense**

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year considering global minimum top-up tax. The average annual tax rate expected as of September 30, 2025 to be effective for the year ended December 31, 2025 is 10.2%.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**23. Earnings per Share**

Earnings per share for the three and nine-month periods ended September 30, 2025 and 2024 are calculated as follows:

(A) Ordinary shares

(1) Basic earnings per share

	2025		2024	
<i>(In millions of Korean won and thousands of number of shares)</i>	<b>3 Months</b>	<b>9 Months</b>	<b>3 Months</b>	<b>9 Months</b>
Profit for the period attributable to owners of the parent company	12,006,461	24,968,902	9,781,547	26,045,230
Profit for the period attributable to ordinary shares	10,552,774	21,945,760	8,596,578	22,890,024
Weighted-average number of ordinary shares outstanding	5,855,461	5,893,763	5,969,783	5,969,783
<b>Basic earnings per ordinary share (in Korean won)</b>	<b>1,802</b>	<b>3,724</b>	<b>1,440</b>	<b>3,834</b>

(2) Diluted earnings per share

	2025		2024	
<i>(In millions of Korean won and thousands of number of shares)</i>	<b>3 Months</b>	<b>9 Months</b>	<b>3 Months</b>	<b>9 Months</b>
Profit for the period attributable to owners of the parent company	12,006,461	24,968,902	9,781,547	26,045,230
Profit for the period attributable to ordinary shares	10,553,383	21,946,616	8,596,578	22,890,024
Weighted-average number of diluted ordinary shares outstanding(*)	5,858,733	5,895,411	5,969,783	5,969,783
<b>Diluted earnings per ordinary share (in Korean won)</b>	<b>1,801</b>	<b>3,723</b>	<b>1,440</b>	<b>3,834</b>

(\*) The weighted average diluted potential common shares included are related to stock-based compensation and the number of shares is 1,648 million shares and nil for the three and nine-month periods ended September 30, 2025 and 2024, respectively.

(B) Preference shares

(1) Basic earnings per share

	2025		2024	
<i>(In millions of Korean won and thousands of number of shares)</i>	<b>3 Months</b>	<b>9 Months</b>	<b>3 Months</b>	<b>9 Months</b>
Profit for the period attributable to owners of the parent company	12,006,461	24,968,902	9,781,547	26,045,230
Profit for the period attributable to preference shares	1,453,687	3,023,142	1,184,969	3,155,206
Weighted-average number of preference shares outstanding	806,314	811,987	822,887	822,887
<b>Basic earnings per preference share (in Korean won)</b>	<b>1,803</b>	<b>3,723</b>	<b>1,440</b>	<b>3,834</b>

(2) Diluted earnings per share

	2025		2024	
<i>(In millions of Korean won and thousands of number of shares)</i>	<b>3 Months</b>	<b>9 Months</b>	<b>3 Months</b>	<b>9 Months</b>
Profit for the period attributable to owners of the parent company	12,006,461	24,968,902	9,781,547	26,045,230
Profit for the period attributable to preference shares	1,453,078	3,022,286	1,184,969	3,155,206
Weighted-average number of diluted preference shares outstanding	806,314	811,987	822,887	822,887
<b>Diluted earnings per preference share (in Korean won)</b>	<b>1,802</b>	<b>3,722</b>	<b>1,440</b>	<b>3,834</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**24. Statements of Cash Flows**

(A) The Company used the indirect method to present cash flows from operating activities. Adjustments and changes in assets and liabilities arising from operating activities for the nine-month periods ended September 30, 2025 and 2024 are as follows:

- Adjustments

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
<b>Adjustments:</b>		
Income tax expense	2,888,208	2,925,522
Financial income	(5,372,833)	(5,128,916)
Financial expenses	2,096,840	2,772,362
Post-employment benefits	1,202,815	1,088,347
Depreciation	32,248,891	28,915,583
Amortization	2,445,669	2,214,669
(Reversal of) Bad debt expense	43,214	(9,458)
Dividend income	(93,555)	(101,417)
Share of profit of associates and joint ventures	(558,359)	(596,758)
Gain on disposal of property, plant and equipment	(85,379)	(39,727)
Loss on disposal of property, plant and equipment	39,235	107,000
(Reversal of) Loss on valuation of inventories and others	2,934,148	(2,437,809)
Other	132,956	364,696
<b>Total</b>	<b>37,921,850</b>	<b>30,074,094</b>

- Changes in assets and liabilities arising from operating activities

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
<b>Changes in assets and liabilities:</b>		
Increase in trade receivables	(6,284,570)	(7,829,780)
Decrease in non-trade receivables	1,277,900	355,257
Decrease (increase) in prepaid expenses	8,808	(409,024)
Decrease (increase) in inventories	(1,505,823)	1,007,521
Increase in trade payables	1,607,051	893,040
Increase (decrease) in other payables	(1,224,276)	839,263
Decrease in advances received	29,878	216,611
Decrease in withholdings	(15,975)	(37,551)
Increase in accrued expenses	632,574	1,628,874
Increase (decrease) in provisions	(693,270)	1,101,318
Payment of post-employment benefits	(1,493,546)	(1,042,780)
Other	2,194,753	(46,172)
<b>Total</b>	<b>(5,466,496)</b>	<b>(3,323,423)</b>

(B) For the nine-month periods ended September 30, 2025 and 2024, cash outflows from principal portion of lease liabilities (financial activities) amount to ₩959,796 million and ₩885,181 million, respectively, and cash outflows due to interest expenses (operating activities) in relation to the lease liabilities amount to ₩179,625 million and ₩165,307 million, respectively.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 25. Financial Risk Management

The Company manages its financial risks with a focus on minimizing market risk, credit risk, and liquidity risk arising from its operating activities. To this end, the Company closely monitors and responds to each risk factor.

The Company establishes global financial management standards, periodically measures customer and counterparty financial risk, and manages the risk with currency hedges and review of cash flows, etc.

The Company also manages foreign exchange risk by monitoring foreign exchange rate fluctuations through local financial centers in the major regions (United States, United Kingdom, Singapore, China, Brazil, and Russia), which act as an agent for the subsidiaries in each region to manage foreign exchange transactions. In addition, local finance centers in the major regions respond to liquidity risk through a regionally integrated financial structure.

The Company's financial assets subject to financial risk management consist of cash and cash equivalents, short-term financial instruments, financial assets at amortized cost, trade receivables and others, while its financial liabilities consist of trade payables, borrowings, and others.

##### (A) Market risk

###### (1) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from its global operations through transactions in currencies other than its functional currency. The main currencies in which the Company is exposed to foreign exchange risk are the US dollar and European Euro.

The Company focuses on minimizing the impact of foreign exchange fluctuation by matching levels of assets and liabilities denominated in each foreign currency. To minimize exchange position, the Company's foreign exchange management policy requires normal business transactions, including import and export, as well as financing transactions, such as depositing and borrowing, to be in local currency or match as closely as possible cash inflows and outflows incurred in the respective foreign currencies. This reduces but may not eliminate the foreign exchange risk to which the Company is exposed. Moreover, the Company periodically evaluates and monitors the foreign exchange risk to efficiently mitigate such risk, and the speculative foreign exchange transactions are strictly prohibited.

###### (2) Interest rate risk

Interest rate risk for floating interest rate financial instruments can be defined as the risk of changes in the fair value of components of the statement of financial position due to changes in the market interest rates, and the risk of changes in the future cash flows of interest income and expenses arising from investing and financing activities. The Company's exposure to interest rate risk arises primarily from interest-bearing deposits and floating interest rate debt obligations, and the Company manages its exposure to interest rate risk to minimize uncertainty and cost of financing resulting from changes in interest rates.

###### (3) Price risk

The Company's investment portfolio consists of direct and indirect investments in equity instruments classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss, which is in line with the Company's strategy.

As of September 30, 2025 and 2024, price fluctuation of marketable equity securities (listed stocks) by 1% would result in changes in other comprehensive income (before income tax) of ₩120,100 million and ₩69,740 million, respectively, and changes in profit before tax of ₩1,141 million and ₩1,060 million, respectively.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### (B) Credit risk

Credit risk arises during the normal course of transactions and investing activities where customers or other parties fail to discharge an obligation. The Company monitors and sets the customer's and counterparty's credit limit on a periodic basis based on their financial conditions, default history and other factors. Adequate insurance coverage is maintained for trade receivables related to trading partners situated in high risk countries.

Credit risk also can arise from transactions with financial institutions including transactions in financial instruments such as cash and cash equivalents, deposits, and derivative instruments. To minimize such risk, the Company transacts only with banks that have a strong international credit rating (S&P A and above), and new transactions with financial institutions which the Company does not have an existing relationship are subject to the completion of risk assessments prior to commencement of transactions. The Company generally enters into financial agreements without restrictions, such as debt ratio covenants, provision of collateral and/or repayment of loans/borrowings, and otherwise separate approvals are obtained.

The carrying amount of the Company's financial assets is net of impairment losses and the Company's maximum exposure to credit risk is equal to the carrying amount of its financial assets.

#### (C) Liquidity risk

Liquidity risk is the risk that a company will have difficulty in meeting all its financial obligations. The Company's main sources of liquidity are cash generated from operations and funds raised from the capital markets and financial institutions, while its main liquidity needs are for investments in production, research and development, working capital and dividends. Due to the nature of the Company's business, which involves large investments, maintaining adequate levels of liquidity is critical. The Company maintains and manages adequate liquidity through forecasting periodic cash flows, estimating required cash levels, and monitoring inflows and outflows of cash.

The Company has established Cash Pooling by region to respond effectively to liquidity risks, even when individual companies within a region are underfunded. Cash Pooling is a system that shares funds between underfunded and overfunded companies, minimizing the liquidity risk of individual companies, easing the burden of fund management, and reducing financial costs.

In addition, the Company has secured credit lines for its overseas subsidiaries by means of payment guarantees from the head office in the event of large liquidity needs, and, at the end of the period, the Company had investment grade ratings of Aa2 from Moody's and AA- from S&P, enabling it to raise funds on the capital market in a timely manner.

#### (D) Capital risk management

The purpose of capital management is to maintain a sound capital structure and protect the Company's ability to continue to provide benefits to its shareholders and stakeholders as a going concern. The Company monitors capital on the basis of credit ratings and debt ratio.

The debt ratios as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Total liabilities	110,158,092	112,339,878
Total equity	413,501,494	402,192,070
<b>Debt ratio</b>	<b>26.6%</b>	<b>27.9%</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**26. Fair Value Measurement**

(A) Carrying amounts and fair values of financial instruments by category as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	September 30, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	53,399,483	(*1)	53,705,579	(*1)
Short-term financial instruments	55,044,173	(*1)	58,909,334	(*1)
Short-term financial assets at fair value through profit or loss	20,171	20,171	36,877	36,877
Trade receivables	50,538,790	(*1)	43,623,073	(*1)
Financial assets at fair value through other comprehensive income	14,911,925	14,911,925	10,580,932	10,580,932
Financial assets at fair value through profit or loss	1,195,607	1,195,607	1,175,749	1,175,749
Other(*2)	14,338,833	130,830	14,898,880	520,656
<b>Total financial assets</b>	<b>189,448,982</b>		<b>182,930,424</b>	
<b>Financial liabilities</b>				
Trade payables	14,417,361	(*1)	12,370,177	(*1)
Short-term borrowings	9,846,829	(*1)	13,172,504	(*1)
Other payables	11,770,258	(*1)	17,390,861	(*1)
Current portion of long-term liabilities	1,170,040	7,550	2,207,290	594,010
- Long-term borrowings	1,163,097	(*1)(*3)	1,611,282	(*1)(*3)
- Debentures	6,943	7,550	596,008	594,010
Debentures	13,948	16,131	14,530	16,427
Long-term borrowings	5,641,463	(*1)(*3)	3,935,860	(*1)(*3)
Long-term other payables	5,080,716	(*1)	4,779,141	(*1)
Other(*2)	14,432,855	118,012	13,793,044	94,559
<b>Total financial liabilities</b>	<b>62,373,470</b>		<b>67,663,407</b>	

(\*1) Assets and liabilities whose carrying amount is a reasonable approximation of fair value are excluded from the fair value disclosures.

(\*2) Assets measured at cost, amounting to ₩14,208,003 million and ₩14,378,224 million as of September 30, 2025 and December 31, 2024, respectively, and liabilities measured at cost, amounting to ₩14,314,843 million and ₩13,698,485 million as of September 30, 2025 and December 31, 2024 respectively, are excluded as their carrying amounts are reasonable estimates of fair value.

(\*3) Lease liabilities, classified under the current portion of long-term liabilities and long-term borrowings, are excluded from the fair value disclosures in accordance with *Korean IFRS 1107*.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(B) Fair value hierarchy classifications of the financial instruments that are measured or disclosed at fair value as of September 30, 2025 and December 31, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>September 30, 2025</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total balance</b>
<b>1) Assets</b>				
Short-term financial assets at fair value through profit or loss	-	20,171	-	20,171
Financial assets at fair value through other comprehensive income	12,010,008	-	2,901,917	14,911,925
Financial assets at fair value through profit or loss	114,135	-	1,081,472	1,195,607
Other	-	79,120	51,710	130,830
<b>2) Liabilities</b>				
Current portion of debentures	-	7,550	-	7,550
Debentures	-	16,131	-	16,131
Other	-	118,012	-	118,012

<i>(In millions of Korean won)</i>	<b>December 31, 2024</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total balance</b>
<b>1) Assets</b>				
Short-term financial assets at fair value through profit or loss	-	36,877	-	36,877
Financial assets at fair value through other comprehensive income	7,686,545	-	2,894,387	10,580,932
Financial assets at fair value through profit or loss	86,187	-	1,089,562	1,175,749
Other	-	98,159	422,497	520,656
<b>2) Liabilities</b>				
Current portion of debentures	-	594,010	-	594,010
Debentures	-	16,427	-	16,427
Other	-	94,559	-	94,559

The levels of the fair value hierarchy and its application to financial assets and liabilities are described below.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1. The instruments included in Level 1 are listed equity investments, most of which are classified as financial assets at fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where available and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2.

## Samsung Electronics Co., Ltd. and its subsidiaries

### **NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

The Company performs the fair value measurements required for financial reporting purposes, including Level 3 fair values, and discusses valuation processes and results in line with the financial reporting timelines. The Company's policy is to recognize transfers between levels at the end of the reporting period if corresponding events or changes in circumstances have occurred.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments
- The fair value of forward foreign exchange contracts determined using forward exchange rates at the reporting date, with the resulting value discounted to present value

Other techniques, such as discounted cash flow analysis, etcetera, are used to determine fair value for the remaining financial instruments. For trade and other receivables that are classified as current assets, the book value approximates a reasonable estimate of fair value.

#### **(C) Valuation technique and the inputs**

The Company utilizes a present value technique to discount future cash flows using proper interest rates for corporate bonds, government and public bonds, and bank debentures that are classified as Level 2 in the fair value hierarchy.

The following table presents the valuation technique and the inputs used for major financial instruments classified as Level 3 as of September 30, 2025.

*(In millions of Korean won and percentage)*

<b>Classification</b>	<b>Fair value</b>	<b>Valuation technique</b>	<b>Level 3 inputs</b>	<b>Input range</b>
<b>Financial assets at fair value through other comprehensive income</b>				
Samsung Venture Investment	38,000	Discounted cash flow	Permanent growth rate Weighted average cost of capital	1.0% 14.3%
MiCo Ceramics Co., Ltd.	57,562	Discounted cash flow and etc.	Permanent growth rate Weighted average cost of capital	0.0% 10.4%
TCL China Star Optoelectronics Technology Co., Ltd. (CSOT)	1,523,464	Discounted cash flow	Permanent growth rate Weighted average cost of capital	0.0% 8.8%
China Star Optoelectronics Semiconductor Display Technology Ltd. (CSOSDT)	396,232	Discounted cash flow	Permanent growth rate Weighted average cost of capital	0.0% 8.8%
<b>Others</b>				
Put option on equity instruments	51,710	Binomial model	Risk-free rate Price volatility	3.6%~3.7%, 2.9% 32.7%, 33.9%

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

(D) Changes in Level 3 instruments for the nine-month periods ended September 30, 2025 and 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
<b>Financial assets</b>		
Balance as of January 1	4,406,446	3,730,134
Acquisitions	234,642	185,466
Disposals	(218,871)	(104,811)
Amount recognized in profit or loss	589,047	(64,210)
Amount recognized in other comprehensive income	60,633	220,924
Other	(1,036,798)	108,033
Balance as of September 30	4,035,099	4,075,536

(E) Sensitivity analysis for recurring fair value measurements categorized within Level 3

Sensitivity analysis of financial instruments is performed to measure favorable and unfavorable changes in the fair value of financial instruments which are affected by the unobservable parameters, using a statistical technique. When the fair value is affected by more than two input parameters, the amounts represent the most favorable or unfavorable.

The results of the sensitivity analysis for effect on income or loss before tax from changes in inputs for major financial instruments which are categorized within Level 3 and subject to sensitivity analysis are as follows:

<i>(In millions of Korean won)</i>	<b>Favorable changes</b>		<b>Unfavorable changes</b>		
	<b>Classification</b>	<b>Profit or loss</b>	<b>Equity</b>	<b>Profit or loss</b>	<b>Equity</b>
Financial assets at fair value through other comprehensive income <sup>(*)1</sup>		-	279,424	-	(177,511)
Others <sup>(*)2</sup>		8,430	-	(7,808)	-

<sup>(\*)1</sup> For equity securities, changes in fair value are calculated by increasing or decreasing perpetual growth rate and weighted average cost of capital (-1% ~1%), which are significant unobservable inputs.

<sup>(\*)2</sup> Changes in fair value were calculated based on changes in price volatility (-5%~5%), which is a significant unobservable input.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 27. Segment Information

##### (A) Operating segment information

The chief operating decision-maker has been identified as the Management Committee. The Company determines operating segments based on the segment information reported to the Management Committee. The Management Committee reviews the operating profits of each operating segment in order to evaluate the performance and to make strategic decisions regarding the allocation of resources to each segment.

Revenue consists mostly of product sales. The operating segments are product-based and are identified based on the internal organization and revenue streams. As of the reporting date, the operating segments are comprised of DX, DS, SDC, Harman, and others.

The segment information including depreciation, amortization and operating profits is prepared after adjusting intercompany transactions. Total assets and liabilities of each operating segment are excluded from the disclosure as these have not been provided regularly to the Management Committee.

##### (1) For the three-month period ended September 30, 2025

<i>(In millions of Korean won)</i>	<b>DX</b>	<b>DS</b>	<b>SDC</b>	<b>Harman</b>	<b>Intercompany reconciliations</b>	<b>Total<sup>(*)</sup></b>
Revenue	48,375,095	33,116,786	8,101,525	3,953,656	(7,485,315)	86,061,747
Depreciation	659,436	9,575,775	596,025	87,941	-	10,961,595
Amortization	479,271	208,885	58,526	49,312	-	857,453
<b>Operating profit</b>	<b>3,469,279</b>	<b>6,991,305</b>	<b>1,224,809</b>	<b>420,571</b>	<b>-</b>	<b>12,166,062</b>

<sup>(\*)</sup> Other operating segments are not separately disclosed.

Revenue by major product for the three-month period ended September 30, 2025 are as follows:

<i>(In millions of Korean won)</i>	<b>TV, monitor, and other</b>	<b>Smartphone and other</b>	<b>Memory</b>	<b>Display panels</b>	<b>Total<sup>(*)</sup></b>
Revenue	7,315,001	33,541,024	26,690,323	8,101,525	86,061,747

<sup>(\*)</sup> Other operating segments are not separately disclosed.

##### (2) For the nine-month period ended September 30, 2025

<i>(In millions of Korean won)</i>	<b>DX</b>	<b>DS</b>	<b>SDC</b>	<b>Harman</b>	<b>Intercompany reconciliations</b>	<b>Total<sup>(*)</sup></b>
Revenue	143,662,466	86,122,879	20,348,428	11,203,022	(21,568,228)	239,768,567
Depreciation	1,979,493	28,055,033	1,814,475	261,667	-	32,248,891
Amortization	1,318,111	621,010	174,691	150,703	-	2,445,669
<b>Operating profit</b>	<b>11,516,884</b>	<b>8,446,981</b>	<b>2,160,326</b>	<b>1,211,239</b>	<b>-</b>	<b>23,527,391</b>

<sup>(\*)</sup> Other operating segments are not separately disclosed.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

Revenue by major product for the nine-month period ended September 30, 2025 are as follows:

<i>(In millions of Korean won)</i>	<b>TV, monitor, and other</b>	<b>Smartphone and other</b>	<b>Memory</b>	<b>Display panels</b>	<b>Total<sup>(*)</sup></b>
Revenue	22,082,407	98,179,494	66,937,858	20,348,428	239,768,567

<sup>(\*)</sup> Other operating segments are not separately disclosed.

(3) For the three-month period ended September 30, 2024

<i>(In millions of Korean won)</i>	<b>DX</b>	<b>DS</b>	<b>SDC</b>	<b>Harman</b>	<b>Intercompany reconciliations</b>	<b>Total<sup>(*)</sup></b>
Revenue	44,993,923	29,271,373	7,999,109	3,529,579	(6,695,253)	79,098,731
Depreciation	645,059	8,922,648	606,882	81,078	-	10,308,425
Amortization	405,108	173,843	59,290	47,837	-	749,115
Operating profit	3,372,679	3,864,208	1,513,546	355,346	-	9,183,371

<sup>(\*)</sup> Other operating segments are not separately disclosed.

Revenue by major product for the three-month period ended September 30, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>TV, monitor, and other</b>	<b>Smartphone and other</b>	<b>Memory</b>	<b>Display panels</b>	<b>Total<sup>(*)</sup></b>
Revenue	7,581,896	29,980,552	22,273,248	7,999,109	79,098,731

<sup>(\*)</sup> Other operating segments are not separately disclosed.

(4) For the nine-month period ended September 30, 2024

<i>(In millions of Korean won)</i>	<b>DX</b>	<b>DS</b>	<b>SDC</b>	<b>Harman</b>	<b>Intercompany reconciliations</b>	<b>Total<sup>(*)</sup></b>
Revenue	134,357,477	80,965,214	21,031,687	10,348,923	(21,620,667)	225,082,634
Depreciation	1,927,417	24,769,254	1,815,166	254,625	-	28,915,583
Amortization	1,213,969	499,189	173,765	156,329	-	2,214,669
Operating profit	10,170,049	12,229,183	2,864,337	916,271	-	26,233,258

<sup>(\*)</sup> Other operating segments are not separately disclosed.

Revenue by major product for the nine-month period ended September 30, 2024 are as follows:

<i>(In millions of Korean won)</i>	<b>TV, monitor, and other</b>	<b>Smartphone and other</b>	<b>Memory</b>	<b>Display panels</b>	<b>Total<sup>(*)</sup></b>
Revenue	22,359,402	89,412,970	61,505,350	21,031,687	225,082,634

<sup>(\*)</sup> Other operating segments are not separately disclosed.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### (B) Regional information

The regional information provided to the Management Committee for the reportable segments as of and for the three and nine-month periods ended September 30, 2025 and 2024 are as follows:

##### (1) As of and for the three-month period ended September 30, 2025

<i>(In millions of Korean won)</i>	Korea	America	Europe	Asia and Africa	China	Intercompany elimination	Total
Revenue	12,701,513	33,905,849	12,970,753	13,888,040	12,595,592	-	86,061,747
Non-current assets <sup>(*)</sup>	176,532,657	28,546,440	7,339,815	9,528,791	9,971,359	(588,857)	231,330,205

<sup>(\*)</sup> Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

##### (2) As of and for the nine-month period ended September 30, 2025

<i>(In millions of Korean won)</i>	Korea	America	Europe	Asia and Africa	China	Intercompany elimination	Total
Revenue	34,732,845	93,344,828	38,978,504	40,913,396	31,798,994	-	239,768,567
Non-current assets <sup>(*)</sup>	176,532,657	28,546,440	7,339,815	9,528,791	9,971,359	(588,857)	231,330,205

<sup>(\*)</sup> Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

##### (3) As of and for the three-month period ended September 30, 2024

<i>(In millions of Korean won)</i>	Korea	America	Europe	Asia and Africa	China	Intercompany elimination	Total
Revenue	11,341,928	31,181,768	12,237,026	13,123,500	11,214,509	-	79,098,731
Non-current assets <sup>(*)</sup>	170,564,139	24,377,872	6,512,175	8,701,671	10,154,527	(2,204,154)	218,106,230

<sup>(\*)</sup> Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

##### (4) As of and for the nine-month period ended September 30, 2024

<i>(In millions of Korean won)</i>	Korea	America	Europe	Asia and Africa	China	Intercompany elimination	Total
Revenue	30,471,436	84,677,152	37,407,038	37,766,889	34,760,119	-	225,082,634
Non-current assets <sup>(*)</sup>	170,564,139	24,377,872	6,512,175	8,701,671	10,154,527	(2,204,154)	218,106,230

<sup>(\*)</sup> Financial instruments, deferred tax assets, and investments in associates and joint ventures are excluded from non-current assets.

# Samsung Electronics Co., Ltd. and its subsidiaries

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

### 28. Related Party Transactions

#### (A) Transactions with related parties

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

		<b>2025</b>			
<i>(In millions of Korean won)</i>	<b>Name of company<sup>(*1)</sup></b>	<b>Sales and other</b>	<b>Disposal of non-current assets</b>	<b>Purchases and other</b>	<b>Purchase of non-current assets</b>
Associates and joint ventures	Samsung SDS Co., Ltd.	93,823	61	1,623,175	200,819
	Samsung Electro-Mechanics Co., Ltd.	55,331	-	862,155	-
	Samsung SDI Co., Ltd.	76,588	-	521,840	11,372
	Cheil Worldwide Inc.	38,053	-	700,429	2,389
	Other	1,024,615	794	9,594,085	89,938
<b>Total</b>		<b>1,288,410</b>	<b>855</b>	<b>13,301,684</b>	<b>304,518</b>
Other related parties	Samsung C&T Co., Ltd.	7,921	20	130,880	2,070,825
	Other	417,451	-	1,111,780	1,578,611
	<b>Total</b>	<b>425,372</b>	<b>20</b>	<b>1,242,660</b>	<b>3,649,436</b>
Other <sup>(*2)</sup>	Samsung E&A Co., Ltd.	4,714	-	18,387	1,088,782
	S-1 Corporation	15,295	-	412,163	49,038
	Other	173,341	-	396,073	349,100
<b>Total</b>		<b>193,350</b>	<b>-</b>	<b>826,623</b>	<b>1,486,920</b>

(\*1) The amounts represent transactions with individual entities that are related parties of the Company.

(\*2) Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

		<b>2024</b>			
<i>(In millions of Korean won)</i>	<b>Name of company<sup>(*1)</sup></b>	<b>Sales and other</b>	<b>Disposal of non-current assets</b>	<b>Purchases and other</b>	<b>Purchase of non-current assets</b>
Associates and joint ventures	Samsung SDS Co., Ltd.	81,802	-	1,580,188	199,395
	Samsung Electro-Mechanics Co., Ltd.	37,780	-	937,543	-
	Samsung SDI Co., Ltd.	86,152	-	511,733	18,401
	Cheil Worldwide Inc.	34,683	-	719,500	13,760
	Other	843,164	122	9,099,633	163,439
<b>Total</b>		<b>1,083,581</b>	<b>122</b>	<b>12,848,597</b>	<b>394,995</b>
Other related parties	Samsung C&T Co., Ltd.	19,565	-	172,379	4,920,921
	Other	586,364	-	1,063,359	3,213,117
	<b>Total</b>	<b>605,929</b>	<b>-</b>	<b>1,235,738</b>	<b>8,134,038</b>
Other <sup>(*2)</sup>	Samsung E&A Co., Ltd.	1,953	-	37,862	2,637,963
	S-1 Corporation	6,813	-	395,780	19,313
	Other	183,757	-	411,103	559,202
<b>Total</b>		<b>192,523</b>	<b>-</b>	<b>844,745</b>	<b>3,216,478</b>

(\*1) The amounts represent transactions with individual entities that are related parties of the Company.

(\*2) Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### (B) Balances of receivables and payables

Balances of receivables and payables arising from transactions with related parties as of September 30, 2025 and December 31, 2024 are as follows:

		September 30, 2025	
	Name of company <sup>(*)1</sup>	Receivables and other	Payables and other <sup>(*)2</sup>
<i>(In millions of Korean won)</i>			
	Samsung SDS Co., Ltd.	19,749	569,914
	Samsung Electro-Mechanics Co., Ltd.	5,387	161,176
Associates and joint ventures	Samsung SDI Co., Ltd.	124,162	76,131
	Cheil Worldwide Inc.	38	346,603
	Other	272,229	1,205,819
	<b>Total</b>	<b>421,565</b>	<b>2,359,643</b>
Other related parties	Samsung C&T Co., Ltd.	205,366	719,750
	Other	20,738	270,770
	<b>Total</b>	<b>226,104</b>	<b>990,520</b>
Other <sup>(*)3</sup>	Samsung E&A Co., Ltd.	3,336	197,389
	S-1 Corporation	2,577	59,298
	Other	59,919	167,396
	<b>Total</b>	<b>65,832</b>	<b>424,083</b>

<sup>(\*)1</sup> Receivables and payables with individual entities that are related parties of the Company.

<sup>(\*)2</sup> Payables and others include lease liabilities.

<sup>(\*)3</sup> Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

		December 31, 2024	
	Name of company <sup>(*)1</sup>	Receivables and other	Payables and other <sup>(*)2</sup>
<i>(In millions of Korean won)</i>			
	Samsung SDS Co., Ltd.	23,493	617,140
	Samsung Electro-Mechanics Co., Ltd.	5,704	113,971
Associates and joint ventures	Samsung SDI Co., Ltd.	123,940	50,278
	Cheil Worldwide Inc.	206	436,315
	Other	311,560	1,380,625
	<b>Total</b>	<b>464,903</b>	<b>2,598,329</b>
Other related parties	Samsung C&T Co., Ltd.	205,420	1,868,959
	Other	19,784	743,167
	<b>Total</b>	<b>225,204</b>	<b>2,612,126</b>
Other <sup>(*)3</sup>	Samsung E&A Co., Ltd.	513	1,919,798
	S-1 Corporation	2,660	66,988
	Other	16,848	626,382
	<b>Total</b>	<b>20,021</b>	<b>2,613,168</b>

<sup>(\*)1</sup> Receivables and payables with individual entities that are related parties of the Company.

<sup>(\*)2</sup> Payables and others include lease liabilities.

<sup>(\*)3</sup> Although these entities are not related parties of the Company in accordance with *Korean IFRS 1024*, they belong to the same large enterprise group in accordance with the Monopoly Regulation and Fair Trade Act.

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

- (C) For the nine-month periods ended September 30, 2025 and 2024, the Company invested ₩325,146 million and ₩10,999 million, respectively, in associates and joint ventures. In addition, the Company has made capital recovery of ₩4,123 million and ₩28,878 million from its investments in associates and joint ventures during the nine-month periods ended September 30, 2025 and 2024, respectively.
- (D) For the nine-month periods ended September 30, 2025 and 2024, the Company declared dividends of ₩1,205,459 million and ₩1,212,155 million, respectively, to related parties. In addition, for the nine-month periods ended September 30, 2025 and 2024, the Company declared dividends of ₩96,695 million and ₩96,174 million, respectively, to the entities that are not related parties of the Company in accordance with *Korean IFRS 1024*, but belong to the same conglomerate according to the Monopoly Regulation and Fair Trade Act. As of September 30, 2025, there is no dividends payable outstanding to the entities that belong to the same large enterprise group according to the Monopoly Regulation and Fair Trade Act.
- (E) For the nine-month periods ended September 30, 2025 and 2024, the Company entered into lease agreements with its related parties amounting to ₩30,052 million and ₩28,726 million, respectively, and the lease payments made to the related parties are ₩39,214 million and ₩20,636 million, respectively.
- (F) Key management compensation

The compensation paid or payable to key management (executive directors) for their services for the nine-month periods ended September 30, 2025 and 2024 consists of:

<i>(In millions of Korean won)</i>	<b>2025</b>	<b>2024</b>
Short-term employee benefits	5,625	7,186
Post-employment benefits	383	468
Other long-term employee benefits	4,332	6,251

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 29. Business Combination

##### (A) Rainbow Robotics Co., Ltd.

###### (1) General information

The Company decided to exercise call options to acquire 3.94 million shares (20.3%) of Rainbow Robotics Co., Ltd. from its largest shareholder through the board of directors' resolution on December 31, 2024. The equity acquisition procedure was completed on March 12, 2025.

The Company has reclassified Rainbow Robotics Co., Ltd. from investment in associates using equity method to consolidated subsidiary as it retains the right to appoint the entire board of directors of Rainbow Robotics Co., Ltd.

The Company will prepare for development of cutting-edge future robots by combining the Company's technology in AI and software with Rainbow Robotics Co., Ltd.'s robot technology.

###### (2) Consideration transferred

Fair values of the consideration transferred by each category on the acquisition date are as follows:

<i>(In millions of Korean Won)</i>	
Cash	267,463
Derivatives (Call options of 3.94 million shares)	974,287
Previously-held equity (2.85 million shares)	900,480
<b>Total</b>	<b>2,142,230</b>

The remeasurement to fair value of the Company's previously held 2.85 million shares and the difference arising from the fair value measurement of 3.94 million call option shares as of the acquisition date, amounting to ₩847,696 million and ₩600,606 million, were recognized in the statement of profit or loss as other income and finance income, respectively.

###### (3) Identifiable assets acquired and liabilities assumed

Identifiable assets acquired and liabilities assumed at the date of acquisition are as follows:

<i>(In millions of Korean Won)</i>	
Cash and cash equivalents	53,429
Short-term financial instruments	18,789
Trade receivable and other receivables	7,161
Inventory	9,342
Short-term financial assets at fair value through profit or loss	18,833
Property, plant and equipment	20,727
Intangible assets	231,164
Others	7,117
<b>Total assets</b>	<b>366,562</b>
Current liabilities	3,422
Non-current liabilities	49,289
<b>Total Liabilities</b>	<b>52,711</b>
<b>Fair value of net identifiable assets</b>	<b>313,851</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**(4) Goodwill**

Goodwill arising from the business combination has been determined as follows:

<i>(In millions of Korean Won)</i>	
Total consideration transferred	2,142,230
Fair value of net identifiable assets	(313,851)
Non-controlling interests	204,003
<b>Goodwill</b>	<b>2,032,382</b>

**(B) Sound United, LLC**

**(1) General information**

Harman International Industries, Inc., the Company's subsidiary, acquired 100% of equity stake and voting rights of Sound United, LLC, Masimo Corporation's audio business unit, in order to enhance competitiveness of audio business division.

**(2) Consideration transferred**

Fair value of the consideration transferred on the acquisition date is as follows:

<i>(In millions of Korean Won)</i>	
Cash and cash equivalents	457,250

**(3) Identifiable assets acquired and liabilities assumed**

Identifiable assets acquired and liabilities assumed at the date of acquisition are as follows:

<i>(In millions of Korean Won)</i>	
Cash and cash equivalents	43,633
Trade receivable and other receivables	135,772
Inventory	364,768
Property, plant and equipment	131,561
Intangible assets	86,428
Others	114,170
<b>Total assets</b>	<b>876,332</b>
Trade payable and other payables	177,005
Borrowings	108,402
Others	153,424
<b>Total Liabilities</b>	<b>438,831</b>
<b>Fair value of net identifiable assets</b>	<b>437,501</b>

**Samsung Electronics Co., Ltd. and its subsidiaries**

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)**

**(4) Goodwill**

Goodwill arising from the business combination has been determined as follows:

<i>(In millions of Korean Won)</i>	
Total consideration transferred	457,250
Fair value of net identifiable assets	(437,501)
Non-controlling interests	(85)
<b>Goodwill</b>	<b>19,664</b>

**30. Assets and Liabilities Held-for-Sale**

Harman International Industries, Inc., the Company's subsidiary, signed a business sales contract of Digital Transformation Solutions division on August 21, 2025. The relevant procedures are expected to be completed before December 31, 2025.

The Company classified the division's assets and liabilities as held-for-sale as of September 30, 2025.

**(1) Details of assets and liabilities classified as held-for-sale**

<i>(In millions of Korean won)</i>		<b>September 30, 2025</b>
<b>Assets held-for-sale</b>		
Property, plant and equipment		22,527
Intangible assets		389,075
Others		124,483
<b>Total</b>		<b>536,085</b>
<b>Liabilities held-for-sale</b>		
Current liabilities		108,748
Non-current liabilities		37,161
<b>Total</b>		<b>145,909</b>

**(2) Details of other components of equity related to held-for-sale assets and liabilities**

<i>(In millions of Korean won)</i>		<b>September 30, 2025</b>
Foreign currency translation, net of tax		852

## Samsung Electronics Co., Ltd. and its subsidiaries

### NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

#### 31. Subsequent Events

##### (A) Business Combination

The Company's acquisitions of Xealth Inc. (agreed on July 7, 2025), a U.S.-based digital health care provider, and Fläkt Group (agreed on May 14, 2025), a heating, ventilation, and air conditioning equipment manufacturer, have completed on October 16, 2025 and November 3, 2025, respectively.

##### (B) Performance Stock Units

The Company introduced a performance stock units compensation scheme (announced on October 14, 2025), which will grant stocks to employees in line with a range of stock price increase during the next three years, dubbed as a market condition. The number of stocks to be granted will be decided by the degree to which the Company's stock price moves upward over the three-year period. Grant of stocks will be split equally for three years starting from 2028. Employees' agreement procedure to the compensation scheme has completed as of October 30, 2025.