This document (the “**Prospectus**”) comprises a prospectus for the purposes of Article 6 of Regulation (EU) 2017/1129 (as it forms part of retained European Union (“**EU**”) law as defined in the European Union (Withdrawal) Act 2018) (the “**Prospectus Regulation**”), relating to Samsung Electronics Co., Ltd. (the “**Company**” or “**Samsung**”) and has been approved by the Financial Conduct Authority of the United Kingdom (“**FCA**”), as competent authority under the Prospectus Regulation, in accordance with section 87A of the Financial Services and Markets Act 2000, as amended (“**FSMA**”), and prepared and made available to the public in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of FSMA (the “**Prospectus Regulation Rules**”). The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This Prospectus is not an offer or invitation to the public to subscribe for or purchase any securities of the Company, but is issued solely in connection with the admission of all of the Company’s global depositary receipts (“**GDRs**”) evidencing global depositary shares (“**GDSs**”) (where one GDS represents twenty-five (25) of the Company’s non-voting preference shares (“**NVP Shares**”), with par value of 100 Korean won (“**KRW**”) per NVP Share) issued from time to time pursuant to a third amended and restated non-voting capital stock deposit agreement, dated as of 12 February 2009, amended on 30 May 2023 (as so amended, the “**Deposit Agreement**”), among Citibank, N.A., the Company, and the holders and beneficial owners of GDSs issued thereunder, to the ‘certificates representing certain securities (depositary receipts)’ category of the FCA’s official list (“**Official List**”) and to the London Stock Exchange’s (the “**LSE**”) main market for listed securities (“**Admission**”).

Application will be made to the FCA for a listing of up to 1,800,000 GDRs to be admitted to the Official List and to the LSE for the GDRs to be admitted to trading on the main market for listed securities, by introduction. It is expected that Admission will become effective, and that dealings in the GDRs will commence, on 13 February 2025. No application is currently intended to be made for the GDRs to be admitted to listing or dealt with on any other exchange.

The Company has an existing listing of its GDRs on the Luxembourg Stock Exchange (“**LuxSE**”), which commenced trading on 21 May 1991 (ISIN: US7960502018). On 6 November 2024, the Company applied to cancel the listing of its GDRs on the LuxSE. On 25 November 2025, the LuxSE approved this application (the “**LuxSE Delisting**”). It is expected that the LuxSE Delisting will take effect shortly following Admission, and, in any event, no later than 31 March 2025.

The Directors, whose names appear in Part VII (*Management, Employees and Corporate Governance*) on page 56 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

This Prospectus is issued solely in connection with Admission. This Prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. No offer of Samsung GDRs is being made in any jurisdiction.

This Prospectus should be read in its entirety. In particular, investors should take account Part II (*Risk Factors*) which contains a discussion of certain risks relating to the Company, together with its subsidiaries. Investors should not solely rely on the information summarised in Part I (*Summary*). The definitions in Schedule I (*Definitions and Glossary*) apply throughout this Prospectus.

SAMSUNG

SAMSUNG ELECTRONICS Co., Ltd.

(Incorporated and registered in the Republic of Korea with corporation registration number 124-81-00998)

Introduction to the ‘certificates representing certain securities (depositary receipts)’ category of the Official List of the FCA and admission to trading on the Main Market of the London Stock Exchange

Dated 10 February 2025

TABLE OF CONTENTS

PART I
SUMMARY

1. INTRODUCTION AND WARNINGS

1.1 Details of the issuer

The issuer is Samsung Electronics Co. (the "**Company**"), a limited company incorporated under the laws of the Republic of Korea with corporation registration number 124-81-00998. The Company's head office is at 129, Samsung-ro, Yeongtong-gu, Suwon, Gyeonggi-do, Korea. The telephone number of the Company's head office is +82-31-200-1114 and the legal entity identifier (the "**LEI**") of the Company is 9884007ER46L6N7EI764.

1.2 Details of the securities

The securities that are being admitted to listing on the 'certificates representing certain securities (depositary receipts)' category of the Official List of the FCA and to trading on the LSE's main market for listed securities are the Company's GDRs evidencing fully paid GDSs. On Admission, the GDRs will be registered with an ISIN of US7960502018 and SEDOL of B16D4P2**.** It is expected that the GDRs will be traded on the main market for listed securities of the LSE under the ticker symbol "SMSD LI".

1.3 Identity and contact details of the competent authority approving this Prospectus

This Prospectus has been approved by the FCA, as competent authority, with its head office at 12 Endeavour Square, London E20 1JN and telephone number: +44 (0)20 7066 1000, in accordance with the Prospectus Regulation. This Prospectus was approved by the FCA on 10 February 2025.

1.4 Warnings

This summary has been prepared in accordance with Article 7 of the Prospectus Regulation and should be read as an introduction to this Prospectus. Any decision to invest in the GDRs should be based on consideration of the Prospectus as a whole by the investor. Any investor could lose all or part of their invested capital and, where any investor's liability is not limited to the amount of the investment, it could lose more than the invested capital.

Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or if it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the GDRs.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the issuer of the securities?

The Company's corporate and trading name is Samsung Electronics Co., Ltd. The Company was incorporated as a limited company on 13 January 1969 under the laws of the Republic of Korea, with the name Samsung Electronics Industry Co., Ltd., and held an initial public offering on the Korean Stock Exchange on 11 June 1975. The Company changed its name to Samsung Electronics Co., Ltd. following a resolution passed at the Annual General Meeting of shareholders on 28 February 1984. The LEI number for the Company is 9884007ER46L6N7EI764. The Company is subject to and operates in conformity with its Articles of Incorporation (as defined herein) and the laws of the Republic of Korea. The NVP Shares and the GDRs conform with the laws of the Company's and of the Depositary's place of incorporation, respectively.

(A) Principal activities

The Company is a global electronics firm headquartered in Korea, with 232 subsidiaries across the world. The Company's business consists of four main divisions: the Device eXperience ("**DX**") Division, the Device Solutions ("**DS**") Division, Samsung Display ("**SDC**") and its subsidiaries, and Harman International Industries, Inc. ("**Harman**") and its subsidiaries.

(B) *Major shareholders*

As of the date of this Prospectus, the major shareholder of the Company is Samsung Life Insurance Co., Ltd. ("**Samsung Life Insurance**"). Samsung C&T Corporation ("**Samsung C&T**") is the major shareholder of Samsung Life Insurance. The following table sets forth information regarding the persons or entities known by the Company to own more than 5% voting rights in the Company as of the date hereof:

Name	**Number of Shares Owned**	**%**
Samsung Life Insurance	513,582,872	8.60
National Pension Service	426,513,027	7.14
BlackRock Fund Advisors	300,391,061	5.03
Samsung C&T	298,818,100	5.01

(C) *Board of Directors*

The members of the Board of Directors are, and as from Admission will be:

Member	**Title**
Han-Jo Kim	Chairman of the Board & Independent Director
Jun-Sung Kim	Independent Director
Eun-Nyeong Heo	Independent Director
Myung-Hee Yoo	Independent Director
Je-Yoon Shin	Independent Director
Hye-Kyung Cho	Independent Director
Jong-Hee Han	Vice Chairman & CEO
Tae-Moon Roh	President & Head of MX
Jung-Bae Lee	President & Head of Memory

(D) *Statutory auditor*

The auditor of the Company is KPMG SAMJONG Accounting Corp ("**KPMG**"). KPMG's registered office is located at Gangnam Finance Center, 152 Teheran-ro, Gangnam-gu, Seoul, 06236, Korea. KPMG is registered to carry out audit work by the Professional Oversight Board.

Deloitte Anjin LLC ("**Deloitte**") audited the consolidated financial statements of the Company as of and for the year ended 31 December 2021. Deloitte's registered office is located at One IFC, 10, Gukjegeumyung-ro, Yeongdeungpo-gu, Seoul, 07326, Korea. Deloitte is registered to carry out audit work by the Professional Oversight Board.

At the conclusion of Deloitte's contract, the Company's audit committee appointed KPMG as the Company's external auditor for a three year term from 2023 to 2025. KPMG audited the consolidated financial statements of the Company as of and for the years ended 31 December 2022 and 2023.

2.2 What is the key financial information regarding the issuer?

The tables below set out selected key financial information for the Company for the years ended 31 December 2023, 2022 and 2021 and for the nine month period ended 30 September 2024 and 2023:

Summary unaudited condensed interim consolidated statement of profit or loss for the nine months ended 30 September 2024 and 2023

	KRW, millions		U.S.$, thousands	
	For the nine month periods ended 30 September			
	2024	2023	2024	2023
Revenue	225,082,634	191,155,556	166,430,921	141,344,513
Cost of sales	139,293,441	134,273,009	102,996,554	99,284,339
Gross profit	85,789,193	56,882,547	63,434,367	42,060,174
Operating profit	26,233,258	3,742,259	19,397,433	2,767,107
Profit before income tax	29,622,479	7,481,976	21,903,496	5,532,333
Profit for the period	26,696,957	9,142,342	19,740,302	6,760,044

Summary condensed interim consolidated statement of financial position as of 30 Septmeber 2024 (unaudited) and 31 December 2023 (audited)

	KRW, millions		U.S.$, thousands	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Assets				
Current assets	219,235,111	195,936,557	162,107,138	144,879,687
Non-current assets	272,072,206	259,969,423	201,176,017	192,226,961
Total assets	491,307,317	455,905,980	363,283,155	337,106,648
Liabilities and equity				
Current liabilities	87,031,889	75,719,452	64,353,243	55,988,585
Non-current liabilities	17,994,065	16,508,663	13,305,197	12,206,859
Total liabilities	105,025,954	92,228,115	77,658,440	68,195,444
Total equity	386,281,363	363,677,865	285,624,715	268,911,204
Total liabilities and equity	491,307,317	455,905,980	363,283,155	337,106,648

Summary unaudited consolidated statement of cash flows for the nine months ended 30 Septmeber 2024 and 2023

	KRW, millions		U.S.$, thousands	
	For the nine month periods ended 30 September			
	2024	2023	2024	2023
Operating activities				
Cash generated from operations	53,447,628	26,320,066	39,520,321	19,461,621
Net cash provided by operating activities	50,960,350	24,192,198	37,681,174	17,888,231
Net cash provided by (used in) investing activities	(73,513,780)	7,599,286	(54,357,662)	5,619,074
Net cash used in financing activities	(5,016,158)	(8,718,437)	(3,709,055)	(6,446,599)
Net increase (decrease) in cash and cash equivalents	(25,949,534)	25,463,574	(19,187,641)	18,828,312

Cash and cash equivalents	43,131,359	75,144,284	31,892,251	55,563,293

Summary audited consolidated statement of profit and loss for the years ended 31 December 2023, 2022 and 2021

	KRW, millions			*U.S.$, thousands*		
	For the year ended 31 December					
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Revenue	258,935,494	302,231,360	279,604,799	198,247,859	231,396,319	216,555,107
Cost of Sales	180,388,580	190,041,770	166,411,342	138,110,266	145,501,003	128,886,293
Operating profit	6,566,976	43,376,630	51,633,856	5,027,850	33,210,295	39,990,641
Profit before income tax	11,006,265	46,440,474	53,351,827	8,426,687	35,556,055	41,321,217
Profit for the period	15,487,100	55,654,077	39,907,450	11,857,333	42,610,233	30,908,490

Summary audited consolidated statement of financial position as at 31 December 2023, 2022 and 2021

	KRW, millions			*U.S.$, thousands*		
	For the year ended 31 December					
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Assets						
Current assets	195,936,557	218,470,581	218,163,185	150,014,208	167,266,852	168,968,315
Non-current assets	259,969,423	229,953,926	208,457,973	199,039,464	176,058,804	161,451,587
Total assets	455,905,980	448,424,507	426,621,158	349,053,672	343,325,656	330,419,902
Profit for the period	15,487,100	55,654,077	39,907,450	11,857,333	42,610,233	30,908,490
Liabilities and equity						
Current liabilities	75,719,452	78,344,852	88,117,133	57,972,815	59,982,888	68,247,094
Non-current liabilities	16,508,663	15,330,051	33,604,094	12,639,470	11,737,093	26,026,514
Total liabilities	92,228,115	93,674,903	121,721,227	70,612,285	71,719,981	94,273,608
Total equity	363,677,865	354,749,604	304,899,931	278,441,387	271,605,675	236,146,294
Total liabilities and equity	455,905,980	448,424,507	426,621,158	349,053,672	343,325,656	330,419,902

Summary audited consolidated statement of cash flows for the years ended 31 December 2023, 2022 and 2021

	KRW, millions			*U.S.$, thousands*		
	For the year ended 31 December					
	2023	**2022**	**2021**	**2023**	**2022**	**2021**
Operating activities						
Cash generated from operations	46,547,889	71,728,568	72,676,199	35,638,295	54,917,288	56,288,025

Net cash provided by operating activities	44,137,427	62,181,346	65,105,448	33,792,781	47,607,682	50,424,447
Net cash used in investing activities	(16,922,817)	(31,602,804)	(33,047,763)	(12,956,556)	(24,195,942)	(25,595,633)
Net cash used in financing activities	(8,593,059)	(19,390,049)	(23,991,033)	(6,579,073)	(14,845,534)	(18,581,157)
Net increase in cash and cash equivalents	19,400,183	10,649,295	9,648,837	14,853,293	8,153,384	7,473,065
Cash and cash equivalents	69,080,893	49,680,710	39,031,415	52,890,158	38,036,867	30,229,997

2.3 What are the key risks that are specific to the issuer?

The following are the key risks specific to the Company that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, results of operations, financial condition and/or prospects:

- The Company's success depends on its ability to develop new products in a timely and cost effective manner that addresses rapidly evolving customer preferences and advancements in technology.
- Cyclical downturns in the semiconductors and display panels industries, combined with continued declines in the average selling prices of products irrespective of cyclical fluctuations in those industries, could adversely impact the Company's margins and its results of operations.
- A downturn in global economic conditions may result in reduced demand for the Company's products.
- The Company operates in highly competitive markets, and its failure to successfully compete would adversely affect the Company's market position and business.
- The Company's manufacturing processes are complex and can expose the Company to potential disruptions in operations.
- The Company's results of operations depend in part on the quality, performance and availability of software provided by third-party business partners.
- The Company depends on third-party suppliers for key raw materials, parts, components and manufacturing equipment, and disruption in their supply or significant increase in their prices would negatively affect the Company's business.
- The Company relies on key third-party distributors to sell a substantial portion of its consumer electronics products and mobile communication devices as well as on key industrial customers to sell a substantial portion of its component products.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

(A) Type, class and ISIN of the securities

The Company is listing its GDRs evidencing GDSs, each representing twenty-five (25) of the Company's NVP Shares at 100 KRW per NVP Share. On Admission, the GDRs will be registered with an ISIN of US7960502018 and SEDOL of B16D4P2. It is expected that the GDRs will be traded on the main market for listed securities of the LSE under the ticker symbol "SMSD LI".

(B) Currency of the securities

The GDRs are, and on Admission will be, denominated in U.S. Dollars. The currency of the underlying NVP Shares is KRW.

(C) *Number of issued and fully paid securities*

On Admission there will be GDRs evidencing 1,566,044 fully paid GDSs in issue, each deposited with the Depositary.

(D) *Rights attaching to the securities*

The rights attaching to the GDRs will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions declared, made or paid on the NVP Share capital of the Company. The rights of shareholders under Korean law to take actions, including voting their shares, receiving dividends and distributions, bringing derivative actions, examining our accounting books and records, and exercising appraisal rights, are, in principle, available only to shareholders of record. Because the Depositary, through its custodian agents, is the record holder of the NVP Shares underlying the GDRs, only the Depositary can exercise those rights under Korean law in connection with the deposited NVP Shares. GDR holders will not be able to bring a derivative action, examine the accounting books and records, or exercise appraisal rights through the Depositary.

(E) *Rank of securities in the event of insolvency*

In the event of the liquidation of the Company, the NVP Shares will rank pari passu with the common shares of the Company and the assets remaining after payment of all debts, liquidation expenses and taxes will be distributed among the shareholders in proportion to the respective number of shares they hold. The GDRs do not carry any rights to participate in a distribution in the event of insolvency other than those that exist as a matter of law.

(F) *Description of restrictions on free transferability of the securities*

The GDRs and underly NVP Shares are freely transferable subject to compliance with applicable securities laws.

The GDRs are transferable on the books of Citibank, N.A. as depositary (the "**Depositary**"); provided, however, that the Depositary may, after consultation with the Company, close the transfer books at any time or from time to time, when deemed expedient by it in connection with the performance of its duties. As a condition precedent to the execution and delivery, registration of transfer, split-up, combination or surrender of any GDR or transfer and withdrawal of deposited NVP Shares, the Depositary or the Custodian (as defined herein) may require payment from the presenter of the GDR or the depositor of the NVP Shares of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto and payment of any applicable fees payable by the holders of GDRs (each, a "**Holder**"). The Depositary will refuse to register transfers of any GDS if such registration would cause the total number of NVP Shares represented by GDSs held by any Holder to exceed the number of NVP Shares as determined by the Company in order to comply with any ownership restrictions as provided in the Deposit Agreement and notified in writing, from time to time, to the Depositary. The Depositary may refuse to deliver GDRs, register the transfer of any GDR or make any distribution of, or related to, the NVP Shares until it or the Custodian has received such proof of citizenship, residence, exchange control approval, legal or beneficial ownership or other information as it may deem necessary or proper. The delivery, transfer and surrender of GDRs generally may be suspended during any period when the transfer books of the Depositary or the Company are closed, or if any such action is deemed necessary or advisable by the Depositary or the Company at any time or from time to time in accordance with the Deposit Agreement.

(G) *Dividend policy*

Except as described herein, holders of the GDRs will be entitled to receive any dividends to the same extent as the holders of NVP Shares. In accordance with Korean practice with respect to newly issued shares, the NVP Shares represented by the GDRs will be entitled to such portion of the annual dividend for 2025 as corresponds to the portion of the year during which such NVP Shares are outstanding. Further details on the Company's dividend policy are included herein.

(H) *Voting rights*

Except as described herein, holders of the GDRs will have no voting rights with respect to any NVP Shares.

3.2 Where will the securities be traded?

Application will be made for all the GDRs to be admitted to the 'certificates representing certain securities (depositary receipts)' category of the Official List of the FCA and to trading on the LSE's main market for listed securities. No application has been made or is currently intended to be made for the GDRs to be admitted to listing or trading on any other exchange. The Company has an existing listing of its GDRs on the LuxSE, which commenced trading on 21 May 1991 (ISIN: US7960502018). On 6 November 2024, the Company applied to cancel the listing of its GDRs on the LuxSE. On 25 November 2025, the LuxSE approved this application. It is expected that the LuxSE Delisting will take effect shortly following Admission, and, in any event, no later than 31 March 2025.

3.3 What are the key risks that are specific to the securities?

- Fluctuations in the exchange rate between the KRW and the U.S. Dollar may affect the amounts GDR holders will receive in respect of dividends.
- If Korea experiences certain economic, political or other events, the government may restrict holders of the GDRs and the Depositary from converting and remitting dividends and other amounts in U.S. Dollars.
- There are certain restrictions on the deposit of NVP Shares and on foreign ownership of NVP GDRs.
- Holders of GDRs have fewer rights than shareholders under Korean law, and their voting rights are limited by the terms of the Deposit Agreement.
- The Company may amend the Deposit Agreement without consent from holders of GDRs and, if such holders disagree with our amendments, their choices will be limited to selling the GDRs or withdrawing the underlying NVP Shares.
- The trading price of GDRs has been and may continue to be volatile, which could result in substantial losses to investors.

4. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1 Why is this Prospectus being produced?

This Prospectus does not constitute an offer or invitation to any person to subscribe for or purchase any securities in the Company. It has been produced in connection with Admission only. The Company has an existing listing of its GDRs on the LuxSE, which commenced trading on 21 May 1991 (ISIN: US7960502018). On 6 November 2024, the Company applied to cancel the listing of its GDRs on the LuxSE and is seeking Admission on the London Stock Exchange to maintain the listing of its GDRs and for alignment with the Company's other UK listings.

4.2 Under which conditions and timetable can I invest in this security?

This Prospectus does not constitute an offer or invitation to any person to subscribe for or purchase any GDR in the Company. It is expected that Admission will become effective and that dealings in the GDRs will commence on the LSE by no later than 8:00 a.m. (London time) on 13 February 2025. There are no conflicting interests which are material in connection with the Admission.

PART II
RISK FACTORS

The risks and uncertainties relating to the GDRs, the Company's business and the industry in which it operates, described below, together with all other information contained in this Prospectus, should be carefully considered in light of Admission.

The risks and uncertainties relating to the GDRs, the Company's business and the industry in which it operates summarised in the part of this Prospectus headed "Summary" are the risks that the Company believes to be the most essential to an assessment of the GDRs. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, you should consider not only the information on the key risks summarised in the part of this Prospectus headed "Summary" but also, amongst other things, the risks and uncertainties described below.

The risks and uncertainties described below represent those the Company considers to be material as of the date of this Prospectus. However, these risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties not presently known to the members of the Company, or that the Board of Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the business, results of operations, financial condition and/or prospects of the Company. If any or a combination of these risks actually occurs, the business, results of operations, financial condition and/or prospects of the Company could be materially and adversely affected. In such case, the market price of the GDRs could decline. You should carefully consider the information in this Prospectus in light of your personal circumstances.

1. RISKS RELATING TO THE COMPANY'S INDUSTRY

The Company's success depends on its ability to develop new products in a timely and cost effective manner that addresses rapidly evolving customer preferences and advancements in technology.

The Company designs, manufactures and sells a wide range of consumer electronics products, mobile communications devices, information technology solutions and home appliances to retail and commercial customers as well as memory chips and other semiconductor products, display panels, telecommunications systems and other high-technology components and systems to industrial customers around the world. The Company's products compete in the highly competitive global consumer electronics and information and technology markets characterised by rapidly changing technologies, evolving industry standards and continual improvements in performance characteristics and product features, which result in short product cycles, frequent introduction of new products and price erosion of existing products.

Advances in technology typically lead to rapid declines in sales volumes for products made with older technologies and lead to certain products becoming less competitive in the marketplace, or even obsolete. If the Company's products do not keep pace with evolving industry standards, the Company could be required to invest significant resources to redesign its products to ensure compatibility with relevant standards. If the Company is slow to anticipate changing trends and respond to such changes in a timely manner, it could miss opportunities to capture potential customers as well as lose its existing customers. There can be no assurance that the Company will not incur charges in the future as a result of product obsolescence in the industries in which the Company competes. Accordingly, the Company's success depends greatly on its ability to anticipate and respond to emerging customer preferences and demands by ensuring continuing and timely development of new, as well as enhancements to existing, products and services and generate customer demand for new and upgraded products. In particular, sales of memory chips and smartphones have accounted for an increasing portion of the Company's total revenue and operating income in recent years, and the Company will need to bring to market memory chips and smartphones that feature differentiated hardware and functional applications in order to continue to attract new and existing users.

The Company expects that improvements in artificial intelligence and convergence of digital media devices, smartphones, personal computers and home appliances will further increase the pace and importance of technological innovation in the future. As a result, the Company has made, and will continue to make, significant investments in research and development of new technologies, products and services. The research and development of new technologies and products is a complex process that requires high levels of innovation and expenditures as well as the accurate anticipation of market trends and customer preferences. There can be no assurance that the Company will succeed in focusing its research and development efforts on technologies that eventually become widely accepted, or on products that are timely released or commercially viable. In addition, there can be no assurance that the Company will be able to keep pace with technological changes in the marketplace and continue to develop new technologies and products in a timely and cost-effective manner. For example, the Company's ability to manufacture its products by utilizing advanced manufacturing processes to increase production yields at relatively low production cost as well as manage the risks associated with new production ramp-up will be critical to maintaining its competitiveness. If the Company is unable to do so, competitors may surpass the Company in technological innovation, which would have an adverse impact on the Company's business, results of operations and financial condition.

Cyclical downturns in the semiconductors and display panels industries, combined with continued declines in the average selling prices of products irrespective of cyclical fluctuations in those industries, could adversely impact the Company's margins and its results of operations.

The Company's components business, which primarily sells semiconductor and display panel products to industrial customers that integrate the Company's component devices into their end-products, is affected by highly cyclical market demand for memory chips and display panels from the Company's industrial customers. Revenue from the Company's DS Segment (semiconductor products), prior to adjusting for inter-segment transactions, accounted for 32.6% of its total revenue in 2022, 25.7% in 2023 and 36.0% in the first nine months of 2024. Revenue from the Company's SDC Segment (display products), prior to adjusting for inter-segment transactions, accounted for 11.4% of its total revenue in 2022, 12.0% in 2023 and 9.3% in the first nine months of 2024.

From time to time, the semiconductors and display panels industries have experienced significant and sometimes prolonged downturns, which often occur in connection with a deterioration of global economic conditions. The cyclicality in the semiconductors and display panels industries results primarily from fluctuations in market demand for end products that use these components as well as fluctuations in the industry's available production capacity. For example, in recent years, global demand for memory chips and their prices have fluctuated significantly, which in turn have materially impacted the DS Segment's results of operations. The DS Segment recorded operating profit of KRW 98,455 billion in 2022 but recorded operating loss of KRW 66,594 billion in 2023 reflecting weak demand and a general oversupply of DRAM memory chips and NAND flash memory chips in the market. The DS Segment recorded operating loss of KRW 12,698 billion in the first nine months of 2023 but recorded operating profit of KRW 12,229 billion in the first nine months of 2024 reflecting recovery in global demand for memory chips. Expectation of growth in market demand for the end products that use these components, combined with intense competition among component manufacturers, have typically been accompanied by increased capital investments to expand production capacity. The long lead times for new production facilities to become operational have in some cases resulted in significant increases in the industry's production capacity coinciding with weakening demand, resulting in excess capacity and oversupply of products.

In addition, the average selling prices of semiconductor products, including DRAM memory chips and NAND flash memory chips, and display panels have generally declined in recent years and are expected to continue to decline with time irrespective of industry-wide cyclicality and fluctuations as a result of, among other factors, technological advancements and cost reductions. Accordingly, the success of the Company's components business depends, in part, on its continual reduction of manufacturing costs and operating expenses. Although the Company may be able to take advantage of the higher selling prices typically associated with new products and technologies when they are first introduced in the market, such prices typically decline over time, and in certain cases, very rapidly, as a result of market competition and introduction of alternative technologies. The Company continually engages in various cost-cutting and other initiatives intended to reduce costs and increase productivity, including refinement of its manufacturing processes through technological advancements to increase production yields and reduce production cycle time. However, if downturns in the semiconductors and display panels industries are prolonged, the Company will face pressure to further reduce prices and it may need to rationalise its production capacity and reduce fixed costs. The Company's ability to reduce expenditures for research and development and infrastructure during an industry downturn may be limited because of the need to maintain its competitive position. If the Company is unable to effectively anticipate and counter the price erosion of its products, or if the average selling prices of the Company's semiconductor products or display panels decrease faster than the speed at which the Company is able to reduce its manufacturing costs, the Company's gross margins would decrease and its results of operations and financial condition may be materially and adversely affected.

A downturn in global economic conditions may result in reduced demand for the Company's products.

The Company's business is sensitive to worldwide economic conditions and is dependent significantly on demand from retail and commercial customers as well as the performance of retailers, wholesalers and distributors that sell the Company's products. Macroeconomic factors that influence consumer confidence and spending behaviour include the level of inflation and unemployment, fluctuations in energy prices and conditions in the real estate markets. Uncertainties in the global economy have increased in recent years, with global financial and capital markets experiencing substantial volatility. In particular, the COVID-19 pandemic that began in late 2019 and rapid increases in interest rates globally from the second half of 2021 to combat inflation have materially and adversely affected the global economy and financial markets. Such uncertainties have been caused by, and continue to be exacerbated by, among other things, deterioration in economic and trade relations between major economies (particularly between the United States and China), the invasion of Ukraine by Russia in February 2022 that has destabilised the global energy sector, the slowdown of economic growth in China and other major emerging market economies, adverse economic and political conditions in Europe and Latin America and continuing geopolitical and social instability in North Korea and various parts of the Middle East, including the Israel-Hamas war.

The global economic outlook in the near future continues to remain uncertain. An actual or anticipated further deterioration of economic conditions in any of the Company's major markets, including the United States, Europe, Korea, China and other Asian countries, may depress consumer confidence and spending, resulting in a decline in consumption that would have a negative impact on demand for the Company's products and the prices at which they can be sold.

Suppliers, commercial customers and other business partners of the Company may also experience deterioration in their businesses during global economic downturns due to reduced end-user demand, cash flow shortages and difficulty in obtaining financing. These events could have a number of adverse effects on the Company's business, including the insolvency or financial instability of the Company's suppliers or commercial customers that could impact their ability to fulfil their contractual obligations to provide the Company with components or to purchase the Company's products. In addition, a significant deterioration in the global financial markets may make it more difficult for customers to obtain credit to finance purchases of the Company's products. These and other macroeconomic factors could result in further pressure on the Company's profit margins and adversely affect the Company's business, results of operations and financial condition.

2. RISKS RELATING TO THE COMPANY

The Company operates in highly competitive markets, and its failure to successfully compete would adversely affect the Company's market position and business.

The markets for the Company's products and services are highly competitive and the Company faces intense global competition. Because the Company operates through several business segments in different industries with many product and service categories, it faces a broad range of existing and new competitors ranging from large multinational companies to highly specialised entities that focus on a limited number of business lines. Intense competition has been characterised by oversupply, erosion of average selling prices, frequent product enhancements from changes in technology and relatively short product life cycles. As a result of intense competition, many of the Company's competitors, in particular, makers of memory chips, display panels, mobile communication devices and televisions, have used aggressive pricing and marketing strategies as well as different product design approaches and alternative technologies that consumers may prefer over those of the Company, in order to maintain or gain market share.

The Company's principal competitors are as follows:

- Apple, LG and Xiaomi in the DX Segment (consumer electronics, mobile phones and home appliances);
- Taiwan Semiconductor Manufacturing Company, SK hynix and Micron Technology in the DS Segment (semiconductor products); and
- BOE Technology Group and LG Display in the SDC Segment (display products).

Although the Company believes that its existing investment, experience and technological expertise provide "time to market" and economies of scale advantages, the Company faces increasing competition from emerging companies that may significantly expand the scale of their operations, as well as from potential repositioning and expansion by storage solution companies and existing customers that develop memory solutions in-house. In addition, in recent years, various industrialised nations have taken measures to promote high-technology industries, which may intensify the competitive landscape of the semiconductor industry. For example, in August 2022, the U.S. Government enacted the CHIPS and Science Act of 2022, which provides federal aid to promote emerging industries in the United States, including strengthening its domestic semiconductor manufacturing capabilities. Such efforts may incentivise U.S. semiconductor companies to invest in the expansion of their production capabilities. As part of its efforts to promote a robust semiconductor supply chain, the U.S. Government also initiated the Chip 4 Alliance, a new U.S.-Asian semiconductor partnership among the United States, Korea, Japan and Taiwan. Such alliance may lead China and other nations to take measures to more actively develop their semiconductor manufacturing capabilities, which may further intensify competition in the global semiconductor industry.

Some of the Company's competitors may have greater financial, sales and marketing, manufacturing, research and development or technological resources as well as better brand recognition than the Company and may be able to manufacture products on a larger scale or with greater cost efficiencies than the Company. They may be able to devote greater resources to research and development and marketing of their products than the Company, as well as respond more quickly to evolving industry standards and changes in market conditions. Industry consolidation among the Company's competitors in the future may also result in increased competition. There can be no assurance that the Company will be able to maintain its market position in the future. An increase in competition could result in further pressure on the Company's profit margins and adversely affect the Company's business, results of operations and financial condition.

The Company is subject to claims of infringement of intellectual property rights by third parties, which, if determined adversely to the Company, could cause the Company to lose significant rights, pay significant damage awards or suspend the sale of certain products.

The Company's success depends largely on its ability to develop and use its technology and know-how in a proprietary manner without infringing the intellectual property rights of third parties. The validity and scope of claims relating to technology and design patents involve complex scientific, legal and factual questions and analysis and, therefore, may be highly uncertain. Technology-driven companies, including many of the Company's competitors, frequently enter into litigation based on allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies may seek to monetise patents they have purchased or otherwise obtained. As a result, the Company faces the risk of litigation and regulatory proceedings relating to infringement of intellectual property rights in various countries. In particular, the Company competes with manufacturers of mobile telecommunications products, including smartphones and tablet devices, that hold significant patent portfolios, and the number of patent infringement claims against the Company has increased in recent years. Because patent applications in many jurisdictions are kept confidential for an extended period before they are published, the Company may be unaware of other persons' pending patent applications that relate to the Company's products or processes.

The Company is currently subject to various legal proceedings in a number of jurisdictions around the world against leading global companies that have not yet been fully resolved, and additional claims may arise in the future. The plaintiffs in these actions typically seek injunctions and substantial damages. Although patent and other intellectual property disputes in the past have often been settled through licensing or similar arrangements, there can be no assurance that such licenses can be obtained on acceptable terms or at all. Accordingly, regardless of the scope or validity of disputed patents or the merits of any patent infringement claims by potential or actual litigants, the Company may have to engage in protracted litigation. The defence and prosecution of intellectual property suits, patent opposition proceedings and related legal and administrative proceedings can be both costly and time consuming and may significantly divert the efforts and resources of the Company's technical and management personnel. An adverse determination in any such litigation or proceedings could subject the Company to pay substantial damages to third parties, require the Company to seek licenses from third parties and pay ongoing royalties or redesign certain products, or subject the Company to injunctions prohibiting the manufacture and sale of the Company's products or the use of technologies in certain jurisdictions. Protracted litigation could also discourage industrial customers of the Company from purchasing its component products until resolution of such litigation. The occurrence of any of the foregoing could have a material adverse effect on the Company's reputation, business, results of operations and financial condition.

The Company's competitive position may be undermined if it does not adequately protect its intellectual property rights, and litigation to protect its intellectual property rights may be costly and may not be resolved in its favour.

The Company depends heavily on its proprietary technologies to maintain its competitive position in the markets in which it operates. In addition to its numerous licensing arrangements, the Company owns significant intellectual property, including a large number of patents, trademarks, copyrights and trade secrets and its success depends, to a significant extent, on its ability to obtain and enforce intellectual property rights worldwide. The Company seeks to protect its intellectual property and proprietary rights primarily through intellectual property laws, relying on a combination of patents, trade secrets, trademarks and copyrights and similar protections, as well as through contractual restrictions in its licensing arrangements. With respect to proprietary know-how that is not patentable and production processes for which patents are difficult to enforce, the Company relies on trade secret protections and confidentiality agreements to safeguard its interests.

Steps taken by the Company to protect its intellectual property and proprietary information may not be adequate to prevent misappropriation of its technology, as the existence of laws or contracts prohibiting such actions may not always serve as sufficient deterrents, and policing unauthorised use of the Company's intellectual property may be expensive and time-consuming. Pending patent applications or patents already issued to the Company or its licensors may become subject to dispute, which could be resolved against the Company and find the patents to be invalid or unenforceable or substantially narrow the scope of the patent. Reverse engineering, unauthorised copying or other misappropriation of the Company's intellectual property and proprietary technologies could enable third parties to benefit from the Company's technologies without paying the Company for doing so, and the Company may be unable to determine the extent of any unauthorised use of its intellectual property.

The Company's competitors may also independently develop substantially equivalent technologies, or otherwise gain access to the Company's proprietary technologies, and obtain patents for such intellectual properties in other jurisdictions where the Company's products are sold.

In order to protect the Company's intellectual property rights and maintain its competitive advantage, the Company may file suits against parties that it believes infringe the Company's intellectual property. Such litigation may divert management's attention as well as expend the Company's resources away from the operation of its business. The Company may also have to bring suits in foreign jurisdictions, in which case it would be subject to additional risks as to the result of the proceedings and the amount of damage that it can recover. Some countries in which the Company conducts its business may not protect intellectual property rights to the same extent as the United States or other developed countries, and effective patent, copyright, and trade secret protection may be unavailable or limited. In addition, depending on the jurisdiction, statutory differences in patentable subject matter may limit the protection the Company can obtain under a patent. The Company's competitive position may be undermined if it does not adequately protect its intellectual property rights, which may have a material adverse effect on the Company's business, results of operations and financial condition.

The Company relies on technology licensed from third parties, and its business may suffer if it is unable to renew key licensing arrangements with them.

Many of the Company's products, including memory chips and other semiconductor products, smartphones, televisions and display panels, are manufactured using technology licensed from third parties. The Company has entered into technology licensing agreements with various third parties for the use of intellectual property rights, some of which are integral in manufacturing the Company's products, for which the Company makes periodic license fee payments. The Company also has cross-license agreements with various other third parties that provide those parties the right to use patents and technologies developed by the Company, as well as enable the Company to use patents and other technologies developed by them.

Based on past experience and industry practice, the Company believes that such technology licenses generally can be obtained or renewed on acceptable terms. However, if the Company is unable to obtain or renew its technology licensing arrangements on acceptable terms, the Company may lose the legal right to use some of the technologies or the processes it employs to manufacture its products. There can be no assurance that key license agreements can be obtained or renewed on acceptable terms or at all, and failure to do so may have a material adverse impact on the Company's business, results of operations and financial condition.

The Company's manufacturing processes are complex and can expose the Company to potential disruptions in operations.

The manufacturing processes for the Company's products are highly complex. Manufacturing semiconductors, in particular, involves precise processes that require production in a tightly controlled, clean environment where even very small impurities in the manufacturing materials, difficulties in the wafer fabrication process, defects in the masks used to print circuits on a wafer or other factors can cause a substantial percentage of wafers to be rejected or numerous chips on each wafer to be nonfunctional. In addition, these manufacturing processes require the use of sophisticated and costly equipment, which is periodically modified and updated to improve manufacturing yields and product performance, and reduce unit manufacturing costs. These updates and migration to advanced technologies expose the Company to the risk that production difficulties will arise from time to time that could cause delivery delays, reduced output or both. The Company may also experience manufacturing problems in its assembly and test operations and during the introduction of new packaging materials.

There can be no assurance that the Company will not experience problems in achieving acceptable output, product delivery delays or both as a result of, among other factors, construction delays, difficulties in upgrading or modifying existing production lines or ramping up new plants, difficulties in changing production technologies or delays in equipment or component deliveries. Disruption of operations may also occur due to fire, flood or other natural disasters or calamities, or acts of terrorism or war. Interruptions at any of the Company's production facilities resulting in the failure to achieve acceptable manufacturing yields or inability to successfully and timely upgrade and implement advanced manufacturing technologies and processes could result in the Company's inability to meet customers' requirements and adversely affect the Company's business, results of operations and financial condition.

The Company's results of operations depend in part on the quality, performance and availability of software provided by third-party business partners.

The Company believes that decisions made by customers to purchase their electronics products, in particular smartphones, tablet devices and notebook personal computers, depend in part on the quality, performance and availability of third-party software applications and services that run on the products. For example, a significant number of the Company's smartphones and tablet devices operate on Google's Android operating system. According to Counterpoint Technology Market Research, Android phones accounted for 76% of global mobile phone sales in 2022, 74% in 2023 and 80% in the first nine months of 2024, and 43% of U.S. mobile phone sales in 2022, 36% in 2023 and 48% in the first nine months of 2024. To the extent that the functionality and performance of third-party software that run on the Company's products are not competitive with the alternative options offered in the market (such as Apple iOS phones), consumers may choose not to purchase the Company's products, which would adversely affect the Company's business, results of operations and financial condition.

The availability of open-source software platforms, such as Google's Android operating system, could make entry and expansion in certain markets, including the smartphone and tablet device markets, easier for mobile communications and media device manufacturers. Because such software platforms would be available equally to other competitors, product differentiation could become more challenging for the Company, which in turn may potentially lead to increased commoditization of such products in the market and increased downward pricing pressures. In addition, in the event the software companies elect to restrict their open-source software platforms, the Company may be required to pay software license fees or to spend additional capital on research and development activities or make acquisitions to address its software needs, which in turn could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company depends on third-party suppliers for key raw materials, parts, components and manufacturing equipment, and disruption in their supply or significant increase in their prices would negatively affect the Company's business.

The Company's business operations depend on its ability to obtain adequate supplies of suitable quality raw materials and components, as well as a substantial portion of its manufacturing equipment, on a timely basis from outside suppliers located in Korea and abroad. The Company manages its inventory of raw materials and components based on rolling forecasts of customer demand and orders raw materials and components in advance of product announcements and shipments based on such forecasts. Shortages of raw materials and components may result in a reduction or suspension of production or increase in the production costs. Accordingly, the Company maintains close and long-term relationships with its suppliers in order to ensure a stable supply of raw materials and components. In order to reduce its dependence on any one supplier for key raw materials and components, the Company maintains a general policy of relying on multiple suppliers for the most essential items and is continuing to expand its supply sources in an effort to improve quality and minimise costs. However, from time to time, the Company may experience disruption in the supply of raw materials or components that may impair the Company's ability to manufacture its products, particularly where the Company's new products utilise custom components available from only one or a limited number of sources.

In addition, the Company has purchased, and expects to purchase, a substantial portion of its manufacturing equipment, some of which are designed and made specifically for the Company, from a limited number of qualified third-party suppliers. Similar to other memory semiconductor manufacturers, the Company depends on a limited number of manufacturers in the Netherlands, the United States and Japan for its key equipment. In particular, the Company relies on ASML Holding N.V. to supply extreme ultraviolet (EUV) lithography machines, which are used in the production of high-end semiconductor products. As a result, such equipment is not readily available from multiple suppliers and may be difficult to repair or replace in a timely manner or on commercially reasonable terms. From time to time, increased demand for new equipment may cause lead times to extend beyond those normally required by the equipment suppliers. Any significant damage to, or breakdown of, the Company's manufacturing equipment could cause material interruptions to the Company's production operations. In addition, unavailability of equipment, delays in delivery of key equipment, or failure of equipment to meet the

Company’s specifications could delay implementation of the Company’s expansion plans and impair its ability to meet customer orders.

It is possible that any of the Company’s key supplier relationships could be interrupted or terminated due to events beyond the Company’s control, including international supply disruptions caused by geopolitical issues, natural disasters, severe health pandemics such as COVID-19 or work stoppage, strike or other labour-related disruption at the Company’s key suppliers. For example, in October 2022, the Bureau of Industry and Security of the U.S. Department of Commerce (the “**BIS**”) announced export controls to restrict China’s ability to obtain advanced computing chips, develop and maintain supercomputers, and manufacture advanced semiconductors. As part of such measures, the BIS added certain semiconductor manufacturing equipment and related items to the Commerce Control List as well as new license requirements for items destined to semiconductor fabrication facilities in China that fabricate certain advanced semiconductors. In October 2022, the Company received permission from the BIS that enables the Company to supply its China-based manufacturing facilities with the equipment and items needed for one year without meeting additional licensing requirements. In October 2023, the Company's wholly-owned subsidiary in China, which has been designated by the BIS as a Validated End-User (VEU) since its establishment, received a general authorization from the BIS to procure necessary equipment, items and technical services from U.S. suppliers, subject to certain restrictions, without having to seek multiple individual licenses. However, there can be no assurance that it will continue to be designated as a VEU in the future.

Failure of a key supplier to supply raw materials, components or manufacturing equipment that meet the Company’s quality, quantity and cost requirements in a timely manner, failure to maintain the Company’s relationships with key suppliers, or the Company’s inability to obtain these materials from alternative sources on a timely basis or on commercially reasonable terms could impair the Company’s ability to manufacture its products or increase its production costs, which could have a material adverse effect on the Company’s business, results of operations and financial condition.

The Company relies on key third-party distributors to sell a substantial portion of its consumer electronics products and mobile communication devices as well as on key industrial customers to sell a substantial portion of its component products.

The Company distributes a substantial portion of its consumer electronics products and smartphones through wholesalers, retailers and value-added resellers worldwide, many of whom also distribute products from the Company’s competitors. The Company is particularly reliant on mobile telecommunications service providers such as Verizon, AT&T and Vodafone and their distribution channels to sell many of its smartphones and tablet devices. The service providers typically subsidise the subscriber’s purchase price of the device, subject to service contract commitment. In the Consumer Electronics Segment, the Company relies on major consumer electronics retailers, such as Best Buy and Walmart in the United States, Media Markt, Dixons and Euronics in Europe and Suning Appliance in China, for a substantial portion of its sales. The loss or termination of the Company’s contracts with one or more of its key distributors, the failure of one or more of the Company’s key distributors to effectively promote the Company’s products or adverse changes in the financial performance of the key distributors could negatively affect the Company's ability to bring its products to market, which would adversely affect the Company's business, results of operations and financial condition.

Products manufactured and sold by the DS Segment and the SDC Segment, such as memory chips, mobile application processors, logic integrated circuits and digital display panels, are primarily sold to manufacturers and other industrial customers that integrate the Company's component devices into their end-products. While the Company is continually aiming to expand the number of customers to which it sells as well as diversify its product portfolio, the Company anticipates that its dependence on a limited number of key customers will continue for the foreseeable future. Consequently, any one of the following events may cause material declines in the sales of the DS Segment and the SDC Segment and have a material adverse effect on the Company's business, results of operations and financial condition:

- reduction, delay or cancellation of orders from one or more of the Company's significant customers;
- selection of the competitor's products by one or more of the Company's significant customers;
- loss of one or more of the Company's significant customers and its failure to identify additional or replacement customers; and
- failure of any of the Company's significant customers to make timely payment for the Company's products.

Foreign exchange rate fluctuations can adversely affect the Company's financial results due to sales and expenses in different currencies.

The Company's consolidated financial statements are prepared from the local currency denominated financial results, assets and liabilities of the Company and its subsidiaries around the world, which are then translated into KRW. Accordingly, the Company's consolidated financial results and assets and liabilities may be materially affected by changes in the exchange rates of foreign currencies. A substantial proportion of the Company's consolidated financial results, assets and liabilities is accounted for in currencies other than the KRW. In the first nine months of 2024, 86.5% of the Company's sales were in overseas markets outside of Korea and a significant portion of the Company's expenses were denominated in currencies other than the KRW, in particular the U.S. Dollar, the Euro, Japanese Yen and Chinese Renminbi.

To the extent that the Company incurs costs in one currency and makes sales in another, its profit margins may be affected by changes in the exchange rates between the two currencies. Since the currency in which sales are recorded may not be the same as the currency in which expenses are incurred, foreign exchange rate fluctuations may materially affect the Company's results of operations. Appreciation of the KRW against major foreign currencies causes:

- the Company's export products to be less competitive by raising prices of its products in foreign currency terms; and
- reduces net sales and accounts receivable in KRW from export sales, which are primarily denominated in U.S. Dollars, Euros, Chinese Renminbi or other foreign currencies.

Depreciation of the KRW, on the other hand, against major foreign currencies causes:

- an increase in KRW terms in the operating and non-operating costs of products denominated in a foreign currency, including costs of raw components and raw materials that the Company purchases from overseas sources as well as expenses relating to labour, equipment and other manufacturing costs of the Company's overseas manufacturing facilities;
- an increase in the amount of KRW required for the Company to make interest and principal payments on its foreign currency-denominated debt; and
- foreign exchange translation losses on liabilities, which lower the Company's earnings for accounting purposes.

The Company strives to naturally offset foreign exchange risk by matching foreign currency receivables with its foreign currency payables, and the Company's overseas subsidiaries have sought to further mitigate the adverse impact of exchange rate fluctuations by hedging their exposure through currency forward contracts and conducting business transactions in the local currency of the respective market in which the transactions are engaged. Although the impact of exchange rate fluctuations has in the past been partially mitigated by such strategies, the Company's results of operations have historically been affected by exchange rate fluctuations and there can be no assurance that such strategies will be sufficient to reduce or eliminate the adverse impact of such fluctuations in the future. Because of the larger positive effects of the depreciation of the KRW (i.e., the reverse of the negative effects caused by the appreciation of the KRW, as discussed above), appreciation of the KRW against the major foreign currencies generally has had a net negative impact on the Company's results of operations. Exchange rate fluctuations can also affect the KRW value of the Company's equity investments and monetary assets and liabilities denominated in foreign currencies. Foreign exchange rate fluctuations have had and may in the future have an adverse impact on the Company's financial condition and results of operation.

The Company conducts operations worldwide and is exposed to legal, regulatory, political, economic, commercial and other risks beyond its control in each country where it operates.

The Company conducts substantial operations in various countries around the world. The Company's overseas operations are divided into eight regions: North America, Latin America, Europe, China, Southeast Asia, Southwest Asia, Commonwealth of Independent States, and Middle East and Africa. Each regional headquarter manages its regional sales and production subsidiaries as well as coordinates overall business activities in its geographic region. The Company currently operates manufacturing facilities in 17 countries, and the Company's overseas subsidiaries engage in local sales and marketing activities as well as product support.

The Company's global operations expose the Company to a number of risks, including:

- fluctuations in foreign currency exchange rates;
- increased costs associated with maintaining the ability to understand the local markets and follow their trends, as well as develop and maintain effective marketing and distribution presence;
- providing efficient customer service and support in markets abroad;

- high costs relating to compliance with the commercial and legal requirements of the overseas markets, including those relating to labour, environment and industry-specific regulations;
- difficulty in obtaining or enforcing intellectual property rights;
- strict foreign exchange controls and cash repatriation restrictions;
- unanticipated changes in prevailing economic conditions and regulatory requirements;
- political instability and civil unrest, cultural and religious conflicts, and acts of terrorism;
- difficulties in enforcing agreements and collecting overdue receivables through local legal systems; and
- trade barriers such as export requirements, tariffs and other restrictions and expenses.

The Company's overall success as a global business depends, in part, on its ability to succeed in managing such risks. The likelihood of the risks being realised and their potential impact on the Company or its business partners vary from country to country and are difficult to predict with any degree of accuracy. The Company may not be able to develop and implement policies and strategies that will be effective in each location where it conducts business, and there can be no assurance that the Company's exposure to such risks, which may become greater as it expands its international operations, will not adversely affect the Company's business, results of operations and financial condition in the future.

The Company's strategic acquisitions, joint ventures, investments or diversification efforts could disrupt its ongoing business and may not produce successful results.

The Company actively engages in acquisitions, joint ventures and other strategic investments in order to acquire new technologies, enhance its competitiveness and diversify its business. For example, as part of its business strategy to diversify its business portfolio, the Company acquired Harman, an American automotive technology company that makes audio systems and connected car devices, in 2017. The Company also holds a 31.2% interest in Samsung BioLogics, which is a leading manufacturer of biologics for global biopharmaceutical companies. Such endeavours may involve significant risks and uncertainties, including distraction of the management from current operations, incurrence of significant integration expenses, inadequate return on capital investments and other issues not previously anticipated by the Company. In the case of joint ventures, because results from these activities are largely dependent on industry trends as well as the financial condition and performance of partner companies, weak trends or disappointing performance of such partners may adversely affect the success of these activities. The success of joint ventures or alliances may also be adversely affected by the inability of the Company and its partners to successfully define their common objectives and address their potential conflicts of interests.

The Company's investments typically will be made well in advance of any sales that will be generated from making such expenditures. If unforeseen adverse market conditions and corresponding decline in demand for the Company's products result in a mismatch between sales volume and anticipated production volume, or if unit sales prices decline due to market oversupply, the Company may not be able to recover its investments, in part or in full, or the recovery of these investments may take longer than expected. The revenue diversification strategy may also bring the Company into contact, directly or indirectly, with entities that are not within its traditional customer base or result in competing with entities that are the Company's existing business partners or customers. Such business activities expose the Company to new risks, including additional regulatory scrutiny as well as credit-related and other operational risks. Accordingly, the Company's failure to successfully implement its investment strategy may materially and adversely affect the Company's business, results of operations and financial condition.

The Company has significant capital requirements in connection with executing its business strategies, and the Company may be required to downsize its plans if capital resources are not available.

The Company has significant capital requirements in connection with executing its business strategies. The Company recorded KRW 49,430 billion of acquisition of property, plant and equipment in 2022 and KRW 57,611 billion in 2023, and KRW 42,398 billion in the first nine months of 2023 and KRW 36,321 billion in the first nine months of 2024. In the past, the Company has met its capital expenditure requirements principally from cash provided by operations, while raising the remainder of its requirements primarily through debt financing. The Company is not aware of any working capital difficulties that may arise more than 12 months after the date of approval of the prospectus.

The ability of the Company to continue to obtain debt financing at a reasonable cost will depend on several factors, some of which may be outside its control, including general economic conditions, the liquidity of the Korean and international capital markets and the Korean Government's policies regarding KRW and foreign currency borrowings. In addition, commercial banks in Korea are required by law to limit their lending to any one borrower or to any single group of companies that are subject to the Monopoly Regulation and Fair Trade Act to no more than 20% or 25%, respectively, of the lending bank's equity. The Company is a member company of the Samsung Group (the "**Group**"), which is subject to such limitations. In the event of adverse financial market conditions, the Company's external financing activities combined with its internal sources of liquidity may not be adequate to address its current and future operational plans. The Company, as a result, may not be able to implement its business strategies as scheduled, including capital investments related to capacity expansion of certain of its facilities or construction of new production facilities, all of which could have an adverse effect on the Company's business prospects and results of operation.

Problems with product quality and defects could result in a loss of customers as well as increased warranty and product liability claims.

The Company's products, including end-products for consumers such as mobile telecommunication devices, televisions and home appliances, as well as component products such as semiconductors and display panels, are becoming increasingly sophisticated and complex due to rapid advancements in technologies and increasing demand from customers for additional functionalities. Manufacturing high-technology products such as memory chips and display panels is a highly complex and precise process, requiring production in a tightly controlled and clean environment. While the Company employs strict quality assurance procedures at key manufacturing stages to identify and resolve quality issues, the products may contain undetected defects or otherwise fail to perform as expected, especially when new products using the latest technologies are first introduced to the market. These defects could cause the Company to incur significant re-engineering costs, divert the attention of engineering personnel from product development efforts or lead to returns of the Company's products, which could adversely affect the Company's customer relations and business reputation.

Under the Company's general terms and conditions of sale and in accordance with industry practice, the Company typically provides a limited warranty on its products that is usually limited to repair or replacement of defective items or return of, or a credit with respect to, amounts paid for such items. While the terms of the warranties provided by the Company differ depending on the type of product, customer and geographic market, they typically range from one to two years for the Company's consumer electronics, telecommunications, home appliances and information technology solutions products. Under limited circumstances, the Company also provides more extensive limited warranty coverage, particularly to industrial customers who purchase the Company's component products. The Company currently carries limited insurance coverage for product liability claims brought against the Company. The Company generally establishes provisions for warranty to cover future costs of warranty claims by its customers, based on its historical experience, terms of warranty programs and best estimates of amounts necessary to settle existing and future warranty claims. The Company regularly evaluates the level of its provision for warranty and adjusts it when appropriate. However, there can be no assurance that the amounts determined to be payable by the Company for product warranty claims will not exceed the Company's estimated warranty provisions. Widespread product failures that result in liabilities in excess of its insurance coverage and provision estimates may have a material adverse effect on the Company's reputation, results of operations and financial condition.

The Company sells a substantial portion of its products in the United States and China, and any significant decrease in their order levels will negatively affect the Company's business.

Historically, the Company has relied on sales to customers in the United States and China, and prolonged tensions in economic and trade relations between the two countries may have a material adverse effect on demand for the Company's products from key customers in such countries. Revenue of sales subsidiaries located in America accounted for 35.6% of the Company's revenue in 2023 and 37.6% in the first nine months of 2024, while revenue of sales subsidiaries located in China accounted for 10.9% of the Company's revenue in 2023 and 15.4% in the first nine months of 2024. Ongoing tensions between the United States and China and tariffs and other trade restrictions imposed by them on each other, including restrictions and penalties imposed by their respective governmental agencies such as the BIS, may lead to a decrease in the volume of products manufactured by the Company's key customers located in such countries, which in turn could decrease demand for the Company's memory chips used as components in their products. In addition, the Company may be prohibited from selling products to certain of its key customers as a result of the ongoing trade tensions.

In addition, in August 2022, the U.S. Government enacted the CHIPS and Science Act of 2022, which provides federal aid to promote emerging industries in the U.S., including strengthening its domestic semiconductor manufacturing capabilities. Such efforts may incentivise semiconductor companies to invest in the expansion of their production capabilities in the United States, which in turn may reduce the Company's sales in the United States. As part of its efforts to more effectively compete in the United States, the Company is currently expanding its production facilities in Austin, Texas. In February 2023, the U.S. Government announced the requirements for the federal subsidies to be granted under the CHIPS and Science Act of 2022, including (i) a ban on certain new, high-tech investments in China or other "countries of concern" for at least a decade, (ii) provision of affordable child care for the workers, (iii) limitation of stock buybacks, (iv) sharing of certain excess profits with the U.S. Government and (v) the submission of certain information regarding management and technology. Both U.S. and non-U.S. semiconductor companies that choose to invest in the United States and meet such terms are eligible for the federal subsidies. In September 2023, the U.S. Government released the final rules on the guardrails applicable to such federal subsidy program. The final rules prohibit recipients of the federal subsidy from materially expanding their semiconductor manufacturing capacities in foreign countries of concern for ten years and restrict them from certain joint research or technology licensing efforts with foreign entities of concern. The Company expects to receive such federal subsidies related to its investments in the United States, but there can be no assurance that the CHIPS and Science Act of 2022 would not be amended or repealed, which in turn could decrease or eliminate such federal subsidies provided to the Company.

As part of its efforts to promote a robust semiconductor supply chain, the U.S. Government also initiated the Chip 4 Alliance, a new U.S.-Asian semiconductor partnership among the United States, Korea, Japan and Taiwan. Such alliance may lead China and other nations to take measures to more actively develop their semiconductor manufacturing capabilities, which in turn may reduce the Company's sales in such countries.

In response to the above measures adopted by the United States, the Cybersecurity Administration of China announced in May 2023 that Micron Technology had failed a security review and banned China's critical information infrastructure operators from purchasing products from Micron Technology. The Company is unable to predict the duration of tensions in economic and trade relations between the two countries, and prolonged trade restrictions could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company relies on key personnel, and the loss of the services of such personnel and the Company's inability to attract and retain qualified personnel may disrupt its business.

The Company's success depends to a significant extent on its ability to attract, train and retain qualified senior management, engineers and technical personnel. In particular, the Company places a great emphasis on research and development in order to develop proprietary technologies and manufacturing expertise and continually bring to market innovative products in response to rapidly evolving customer preferences and technology developments. Accordingly, the Company must aggressively recruit top engineers and technical personnel.

There is substantial competition for top personnel in the electronics and information technology industries, and there can be no assurance that the Company will be able to attract or retain them. If one or more of the Company's key executive officers, engineers or technicians are unable or unwilling to continue in their present positions, it could be difficult to find and integrate replacement personnel in a timely manner, or at all. Each of the Company's key personnel has entered into a confidentiality agreement, which also contains non-competition provisions. However, if any disputes arise with the employees, there can be no assurance as to the extent to which the Company may be able to effectively enforce such agreements. The loss of the services of any of the Company's key personnel without adequate replacement, or the inability to attract new qualified personnel, would have a material adverse effect on the Company's operations.

Work stoppages and other labour-related issues may adversely affect the operations of the Company.

The Company has 33 labour unions representing the Company's employees around the world. The Company enters into collective bargaining agreements with labour unions in accordance with applicable laws and regulations. As of December 31, 2023, collective bargaining agreements applied to approximately 34.5% of the Company's employees. The Company also operates workplace councils at 45 sites around the world. Employees at each site anonymously elect their representative, and workplace council at each site meets regularly to discuss wages, benefits and other issues to improve the working conditions of the employees.

The Company is also subject to local labour and employee laws of various jurisdictions in which it operates. For example, in Europe, the Company's employees are typically covered by various worker protection laws that provide employees, through local and central labour councils, rights of information and consultation with respect to specific matters involving their employers' business and operations, including downsizing or closure of facilities and employment terminations. Labor agreements covering employees in certain European countries generally expire annually. The European worker protection laws could impair the Company's flexibility in streamlining or restructuring its current business structures in those relevant jurisdictions.

The Company considers its relations with its work force to be good and has not experienced any significant labour-related disputes or work stoppages in recent years. To date, the labour council process has satisfactorily resolved all material issues between employees and management. However, there can be no assurance that the Company's relationship with its employees will not deteriorate in the future. Any labour unrest, work stoppages or strikes could prevent the Company's production facilities from continuing normal operations, which in turn would have a material adverse effect on the Company's business, results of operations and financial condition.

The occurrence or perception of a breach of the Company's security measures resulting in inappropriate disclosure or leakage of personally identifiable and other confidential information and data handled by the Company or its products could harm the Company's reputation and its business.

As part of the Company's business, personally identifiable and other confidential information and data from end-users may be collected, stored and transmitted by or through the Company's products and services, such as its smartphones, software applications and online streaming media services for televisions. Although the Company endeavours to develop products that adhere to strict security standards and devotes significant resources to network security, data encryption and other security measures, the Company and its products may be subject to hacking, viruses, worms and other malicious software, unauthorised modifications or illegal activities that cause potential security risks. While such malicious attacks to gain unauthorised access to confidential information affect many companies across various industries, the Company believes that it may be at a relatively greater risk of being targeted due to its market position in mobile products and televisions with Wi-Fi connectivity, as hackers tend to focus their efforts on popular products. In the event that its security measures are breached, the Company may be unable to protect sensitive data, resulting in an unauthorised release or leakage of confidential information, potentially exposing the Company to litigation or regulatory action that could result in significant liability or other sanctions. Even if the Company is not held liable, a security breach or inappropriate disclosure of confidential information could harm the Company's reputation and negatively impact the sale of the Company's products, which could have an adverse effect on the Company's business, results of operations and financial condition.

3. RISKS RELATING TO LAW AND REGULATION

The Company is subject to regulations under the Monopoly Regulation and Fair Trade Act in Korea as well as antitrust regulations in other jurisdictions around the world, and sanctions or judgments against the Company for possible anti-competitive activities may have a material impact on the Company's operations.

The Monopoly Regulation and Fair Trade Act provides for anti-competitive regulations and restrictions enforced by the Korea Fair Trade Commission, and the Company is subject to additional antitrust regulations in other jurisdictions around the world in connection with its worldwide operations. In addition, the Company has been subject to anti-dumping or countervailing duty proceedings in the past, and the Company may become subject to additional anti-dumping or countervailing duty investigations or proceedings in various jurisdictions around the world, including the United States. The Company's management continually monitors and evaluates, based on the relevant facts and legal principles, the likelihood of an unfavourable outcome and whether the amount of the loss could be reasonably estimated. Significant subjective judgments are required in these evaluations, including judgments regarding the validity of asserted claims and the likely outcome of these investigations and proceedings. The Company may not be able to accurately predict the outcome of these investigations and proceedings as such outcome is subject to a number of factors beyond the Company's control, most notably the uncertainty associated with predicting decisions by courts and regulatory agencies. In addition, estimates of the potential costs associated with legal and regulatory proceedings frequently cannot be subjected to any sensitivity analysis, as damage estimates or settlement offers by claimants may bear little or no relation to the eventual outcome. The Company sets aside appropriate reserve amounts as necessary in respect of its potential liability resulting from its legal proceedings based on its evaluations and estimates in a manner consistent with the relevant accounting standards.

The Company is continually evaluating the merits of the respective claims and is vigorously defending itself. However, it is possible that one or more of them may result in an unfavourable outcome. Irrespective of the validity or the successful assertion of the claims, the Company may incur significant costs with respect to litigating or settling any or all of the asserted claims, or impositions of anti-dumping or countervailing duties on the Company's products sold in certain jurisdictions. An adverse final resolution of any of the matters described above or any additional sanctions against the Company for anti-competitive practices could result in liability exceeding the Company's provisions, damage to the Company's reputation, loss of experienced personnel or other consequences, any of which may have a material adverse effect on the Company's business, results of operations and financial condition.

The Company is subject to strict environmental regulations that could cause its operations to be interrupted.

The Company's manufacturing operations generate a variety of chemicals, gases, by-products and other emissions and waste materials, and the Company is subject to various environmental laws and regulations in Korea and other jurisdictions in which it operates manufacturing facilities relating to the use, storage, discharge, treatment and disposal of such materials. The Company is also subject to regulations and periodic monitoring by environmental protection authorities in various jurisdictions. The Company has installed various types of anti-pollution equipment and implemented processes consistent with or stricter than industry standards, to minimise energy use and reduce the industrial wastes generated at its manufacturing facilities. However, any failure on the Company's part to comply with any present or future environmental regulations could result in the assessment of damages or imposition of fines against it or suspension of its production. In addition, more stringent environmental laws and regulations could require the Company to acquire additional anti-pollution equipment or incur other significant compliance expenses. The Company's non-compliance with the relevant environmental regulations, or the perception that it has not appropriately responded to growing consumer concerns for environmental issues, may adversely affect the Company's reputation, operating results and financial condition.

The Company's transactions with its subsidiaries and affiliates may be restricted under Korean fair trade regulations.

The Company's business relationships and transactions with its subsidiaries and affiliates are subject to ongoing scrutiny by the Korea Fair Trade Commission as to, among other things, whether such relationships and transactions constitute undue financial support among companies of the same business group. The Company engages in various transactions with its affiliates. In addition, its material business transactions with its subsidiaries and affiliates are subject to approval by its Board of Directors pursuant to the Korean Commercial Code and the Monopoly Regulation and Fair Trade Act and are subject to public disclosure requirements under the Monopoly Regulation and Fair Trade Act. Any future determinations by the Korea Fair Trade Commission that the Company has engaged in transactions that violate the fair trade laws and regulations may result in fines or other punitive measures and may have a material adverse effect on the Company's reputation and its business.

The Company's transactions with related parties are subject to close scrutiny by the Korean tax authorities.

Under Korean tax law, there is an inherent risk that the Company's transactions with its subsidiaries, affiliates or any other person or company that is related to the Company may be challenged by the Korean tax authorities if such transactions are viewed as having been made on terms that were not on an arm's-length basis. If the Korean tax authorities determine that any of the Company's transactions with related parties were not on an arm's-length basis, the Company would not be permitted to deduct the amount equivalent to such undue financial support as expenses, which may have adverse tax consequences for the Company.

4. RISKS RELATING TO KOREA

If economic conditions in Korea deteriorate, the Company's current business and future growth could be materially and adversely affected.

The Company is incorporated in Korea and a significant portion of its assets are located in Korea. As a result, the Company is subject to political, economic, legal and regulatory risks specific to Korea, and its performance and successful fulfilment of its operational strategies are largely dependent on the overall Korean economy. The economic indicators in Korea in recent years have shown mixed signs of recovery and deterioration, and future growth of the Korean economy is subject to many factors beyond the Company's control, including developments in the global economy.

Following a period of deterioration due to the debilitating effects of the COVID-19 pandemic on the Korean economy as well as on the economies of Korea's major trading partners in 2020, the overall Korean economy showed signs of recovery in 2021. However, adverse conditions and volatility in the worldwide financial markets, fluctuations in oil and commodity prices, supply chain disruptions and the increasing weakness of the global economy, in particular due to the COVID-19 pandemic, and beginning in the second half of 2021 until recent months, rapid increases in interest rates globally to combat inflation, have contributed to the uncertainty of global economic prospects in recent years and have adversely affected, and may continue to adversely affect, the Korean economy. The value of the KRW relative to major foreign currencies has fluctuated significantly and, as a result of uncertain global and Korean economic conditions, there has been significant volatility in the stock prices of Korean companies recently. Future declines in the KOSPI, and large amounts of sales of Korean securities by foreign investors and subsequent repatriation of the proceeds of such sales may adversely affect the value of the KRW, the foreign currency reserves held by financial institutions in Korea, and the ability of Korean companies to raise capital. Any future deterioration of the Korean economy could adversely affect the Company's business, financial condition and results of operations and the market price of its shares and GDSs.

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

- declines in consumer confidence and a slowdown in consumer spending;
- political uncertainty or increasing strife among or within political parties in Korea (including political uncertainty following declaration of martial law by President Yoon on December 3, 2024, which was swiftly rescinded by the National Assembly; on December 14, 2024, the National Assembly voted to impeach President Yoon, which remains subject to confirmation by the Constitutional Court; if the Constitutional Court upholds the impeachment, President Yoon would be removed from office immediately and a presidential election would be required to be held within 60 days of such judgment);
- hostilities or political or social tensions involving Russia (including the invasion of Ukraine by Russia and ensuing actions that the United States and other countries have taken and may take in the future) and any resulting adverse effects on the global supply of oil and other natural resources or the global financial markets;

- adverse conditions or developments in the economies of countries and regions that are important export markets for Korea, such as China, the United States, Europe and Japan, or in emerging market economies in Asia or elsewhere, including as a result of the deteriorating economic and trade relations between the United States and China and increased uncertainties in the global financial markets and industry;

- adverse changes or volatility in foreign currency reserve levels, inflation rates, interest rates, commodity prices (including oil prices), exchange rates (including fluctuation of the U.S. dollar, the Euro or the Japanese Yen exchange rates or revaluation of the Chinese Yuan) or stock markets;

- the occurrence of severe health epidemics in Korea or other parts of the world, in addition to the COVID-19 pandemic;

- deterioration in economic or diplomatic relations between Korea and its trading partners or allies, including deterioration resulting from territorial or trade disputes or disagreements in foreign policy;

- increased sovereign default risk in select countries and the resulting adverse effects on the global financial markets;

- deterioration in the financial condition or performance of small- and medium-sized enterprises and other companies in Korea due to the Korean Government's policies to increase minimum wages and limit working hours of employees;

- investigations of large Korean business groups and their senior management for possible misconduct;

- continuing rise in the level of household debt and increasing delinquencies and credit defaults by retail and small- and medium-sized enterprise borrowers in Korea;

- shortages of imported raw materials, natural resources, rare earth minerals or component parts due to disruptions to the global supply chain;

- the economic impact of any pending or future free trade agreements or of any changes to existing free trade agreements;

- social and labour unrest;

- substantial changes in the market prices of Korean real estate;

- a substantial decrease in tax revenues and a substantial increase in the Korean Government's expenditures for fiscal stimulus measures, unemployment compensation and other economic and social programs, in particular in light of the Korean Government's ongoing efforts to provide emergency relief payments to households and emergency loans to corporations in need of funding in light of COVID-19 as well as interest rate increases, which, together, would likely lead to a national budget deficit as well as an increase in the Korean Government's debt;

- financial problems or lack of progress in the restructuring of Korean business groups, other large, troubled companies, their suppliers or the financial sector;

- loss of investor confidence arising from corporate accounting irregularities or corporate governance issues concerning certain Korean companies;
- increases in social expenditures to support an aging population in Korea or decreases in economic productivity due to the declining population size in Korea;
- geopolitical uncertainty and the risk of further attacks by terrorist groups around the world;
- hostilities or political or social tensions involving oil-producing countries in the Middle East (including the escalation of hostilities in the Middle East following the Israel-Hamas war) and Northern Africa and any material disruption in the global supply of oil or sudden increase in the price of oil;
- natural or man-made disasters that have a significant adverse economic or other impact on Korea or its major trading partners; and
- an increase in the level of tensions or an outbreak of hostilities between North Korea and Korea or the United States.

Escalations in tensions with North Korea could have an adverse effect on the Company and the market value of its shares and GDRs.

Relations between Korea and North Korea have been tense throughout Korea's modern history. The level of tension between the two Koreas has fluctuated and may increase abruptly as a result of current and future events. In particular, there have been heightened security concerns in recent years stemming from North Korea's nuclear weapon, ballistic missile and satellite programs as well as its hostile military actions against Korea. Some of the significant incidents in recent years include the following:

- North Korea renounced its obligations under the Nuclear Non-Proliferation Treaty in January 2003 and has conducted six rounds of nuclear tests since October 2006, including claimed detonations of hydrogen bombs, and warheads that can be mounted on ballistic missiles. Over the years, North Korea has also conducted a series of ballistic missile tests, including missiles launched from submarines and intercontinental ballistic missiles that it claims can reach the United States mainland. North Korea has increased the frequency of such activities since the beginning of 2022, firing numerous ballistic missiles, including intercontinental ballistic missiles, and in November 2023, successfully launched its first spy satellite. In response, the Korean Government has repeatedly condemned the provocations and flagrant violations of relevant United Nations Security Council resolutions. In February 2016, the Korean Government also closed the inter-Korea Gaeseong Industrial Complex in response to North Korea's fourth nuclear test in January 2016. Internationally, the United Nations Security Council has passed a series of resolutions condemning North Korea's actions and significantly expanding the scope of sanctions applicable to North Korea. Over the years, the United States and the European Union have also expanded their sanctions applicable to North Korea.
- In March 2010, a Korean naval vessel was destroyed by an underwater explosion, killing many of the crewmen on board. The Korean Government formally accused North Korea of causing the sinking, while North Korea denied

responsibility. Moreover, in November 2010, North Korea fired more than 100 artillery shells that hit Korea's Yeonpyeong Island near the Northern Limit Line, which acts as the de facto maritime boundary between Korea and North Korea on the west coast of the Korean peninsula, causing casualties and significant property damage. The Korean Government condemned North Korea for the attack and vowed stern retaliation should there be further provocation.

North Korea's economy also faces severe challenges, which may further aggravate social and political pressures within North Korea. Although bilateral summit meetings between Korea and North Korea were held in April, May and September 2018 and between North Korea and the United States in June 2018, February 2019 and June 2019, there can be no assurance that the level of tensions affecting the Korean peninsula will not escalate in the future. Any further increase in tensions, which may occur, for example, if North Korea experiences a leadership crisis, high-level contacts between Korea and North Korea or between the United States and North Korea break down or military hostilities occur, could have a material adverse effect on the Korean economy and on the Company's business, financial condition and results of operations and the market value of its shares and GDSs.

Korea's legislation allowing class action suits related to securities transactions may expose the Company to additional litigation risk.

The Securities-related Class Action Act of Korea enacted in January 2004 allows class action suits to be brought by shareholders of companies (including the Company) listed on the KRX KOSPI Market for losses incurred in connection with purchases and sales of securities and other securities transactions arising from (1) false or inaccurate statements provided in the registration statements, prospectuses, business reports, audit reports, semi-annual or quarterly reports and material fact reports and omission of material information in such documents, (2) insider trading, (3) market manipulation and (4) unfair trading. This law permits 50 or more shareholders who collectively hold 0.01% of the shares of a company to bring a class action suit against, among others, the issuer and its directors and officers. Because of the enactment of the act, there is not enough judicial precedent to predict how the courts will apply the law. Litigation can be time-consuming and expensive to resolve, and can divert management time and attention from business operation. The Company is not aware of any basis upon which such suit may be brought against the Company, nor are any such suits pending or threatened. Any such litigation brought against the Company could have a material adverse effect on its business, financial condition and results of operations.

5. RISKS RELATING TO THE GDRS

Fluctuations in the exchange rate between the KRW and the U.S. Dollar may affect the amounts GDR holders will receive in respect of dividends.

Investors who purchase GDRs will be required to pay in U.S. Dollars. The Company's outstanding NVP Shares are listed on the Korea Stock Exchange on which listed shares are quoted and traded in KRW. Cash dividends, if any, in respect of the NVP Shares represented by the GDRs will be paid to the Depositary in KRW and then converted by the Depositary into U.S. Dollars, subject to certain conditions. Fluctuations in the exchange rate between the KRW and the U.S. Dollar will affect, among other things, the amounts a registered holder or beneficial owner of GDRs will receive from the Depositary in respect of dividends, the U.S. Dollar value of the proceeds which a holder would receive upon sale in Korea of the NVP Shares and the secondary market price of the GDRs.

If Korea experiences certain economic, political or other events, the government may restrict holders of the GDRs and the Depositary from converting and remitting dividends and other amounts in U.S. Dollars.

Under the Korean Foreign Exchange Transaction Law, if the Korean government deems that certain emergency circumstances, including sudden fluctuations in interest rates or exchange rates, extreme difficulty in stabilizing the balance of payments or substantial disturbance in the Korean financial and capital markets, are likely to occur, it may impose any necessary restrictions as requiring Korean or foreign investors to obtain prior approval from the Minister of Economy and Finance of Korea for the acquisition of Korean securities or the repatriation of interest, dividends, or sales proceeds arising from disposition of such securities or other transactions involving foreign exchange.

Holders of GDRs have fewer rights than shareholders under Korean law, and their voting rights are limited by the terms of the Deposit Agreement.

The rights of shareholders under Korean law to take actions, including voting their shares, receiving dividends and distributions, bringing derivative actions, examining the Company's accounting books and records, and exercising appraisal rights, are available only to shareholders of record.

Because the Depositary, through its custodian agents, is the record holder of the NVP Shares underlying the GDRs, only the Depositary can exercise those rights under Korean law in connection with the deposited NVP Shares. GDR holders will not be able to bring a derivative action, examine the Company's accounting books and records, or exercise appraisal rights through the depositary. Holders of GDRs may exercise their voting rights, if any, only in accordance with the provisions of the Deposit Agreement. Upon receipt of voting instructions from them in the manner set forth in the Deposit Agreement, the Depositary will make efforts to vote the NVP Shares underlying the GDRs in accordance with the instructions of GDR holders. The Depositary and its agents may not be able to send voting instructions to holders of GDRs or carry out their voting instructions in a timely manner. Furthermore, the Depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast, or for the effect of any such vote. As a result, holders of GDRs may not be able to exercise their right to vote.

The Company may amend the Deposit Agreement without consent from holders of GDRs and, if such holders disagree with the amendments, their choices will be limited to selling the GDRs or withdrawing the underlying NVP Shares.

The Company may agree with the Depositary to amend the Deposit Agreement without consent from holders of GDRs. If an amendment imposes or increases any fees to be charged to GDR holders or prejudices a substantial existing right of GDR holders, it will not become effective until 30 days after the depositary notifies GDR holders of the amendment. At the time an amendment becomes effective, GDR holders are considered, by continuing to hold their GDRs or to own any beneficial interest in them, to have agreed to the amendment and to be bound by the amended Deposit Agreement. If holders of GDRs do not agree with an amendment to the Deposit Agreement, their choices will be limited to selling the GDRs or withdrawing the underlying NVP Shares. No assurance can be given that a sale of GDRs could be made at a price satisfactory to the holder in such circumstances. See "*The Listing and Description of the Global Depositary Shares*" for more information.

The trading price of GDRs has been and may continue to be volatile, which could result in substantial losses to investors.

Since the GDRs became listed on the Luxembourg Stock Exchange on 21 May 1991, the trading price of the GDRs has fluctuated. Following Admission, the trading price of the GDRs may continue to be volatile and could fluctuate widely due to factors beyond the Company's control. This may happen because of broad market and industry factors, like the performance and fluctuation of the market prices of other global electronics companies that have listed their securities in the UK.

In addition to market and industry factors, the price and trading volume for the GDRs may be highly volatile for factors specific to the Company's operations, including the following:

- variations in the Company's revenues, earnings and cash flow;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures by the Company or its competitors;
- announcements of new services and expansions by the Company or its competitors;
- failure on the Company's part to realise monetisation opportunities as expected;
- changes in financial estimates by securities analysts;
- detrimental adverse publicity about the Company, its services or its industry;
- additions or departures of key personnel;
- regulatory developments affecting the Company or its industry; and

potential litigation or regulatory investigations.

Any of these factors may result in large and sudden changes in the volume and price at which the GDRs will trade.

Shareholders of public companies have often brought securities class action suits against those companies following periods of instability in the market price of their securities. If the Company were involved in such a class action suit, it could divert a significant amount of its management's attention and other resources from its business and operations and require the Company to incur significant expenses to defend the suit, which could harm its results of operations. Any such class action suit, whether or not successful, could harm the Company's reputation and restrict its ability to raise capital in the future. In addition, if a claim is successfully made against it, the Company may be required to pay significant damages, which could have an adverse effect on its financial condition and results of operations.

If securities or industry analysts do not publish research or reports about the Company's business, or if they adversely change their recommendations regarding the GDRs, the market price for the GDRs and trading volume could decline.

The trading market for the GDRs will be influenced by research or reports that industry or securities analysts publish about the Company's business. If one or more analysts who cover the Company downgrade the GDRs, the market price for the GDRs would likely decline. If one or more of these analysts cease to cover the Company or fail to regularly publish reports on it, the Company could lose visibility in the financial markets, which in turn could cause the market price or trading volume for the GDRs to decline.

PART III
MATERIAL INCORPORATED BY REFERENCE

The pages indicated in the cross-reference table below from (1) the Company's annual report for the year ended 31 December 2022, filed with the FCA on 28 April 2023 (the "**2022 Annual Report**") (2) the Company's annual report for the year ended 31 December 2023, filed with the FCA on 30 April 2024 (the "**2023 Annual Report**"), (3) the Company's interim report for the six months ended 30 June 2024, filed with the FCA on 30 August 2024 (the "**2024 HY Report**"), (4) the Company's interim report for the nine months ended 30 September 2024, filed with the FCA on 29 November 2024 (the "**Q3 2024 Report**"), (5) the Company's audited consolidated financial statements for the year ended 31 December 2022, including the audit report related thereto, filed with the FCA on 16 February 2023 (the "**2022 Financial Statements**"), (6) the Company's audited consolidated financial statements for the year ended 31 December 2023, including the audit report related thereto, filed with the FCA on 19 February 2024 (the "**2023 Financial Statements**"), and (7) the Company's earnings release for the three months ended 31 December 2024, filed with the FCA on 31 January 2025 (the "**Q4 2024 Earnings Release**") are incorporated herein, and this Prospectus is supplemented in its entirety by the more detailed information contained therein. The 2022 Annual Report, the 2023 Annual Report, the 2024 HY Report, the Q3 2024 Report, the Q4 2024 Earnings Release, the 2022 Financial Statements, the 2023 Financial Statements have been filed with the FCA and will form a part of this Prospectus.

Cross-reference table to the 2022 Financial Statements, the 2022 Annual Report, the 2023 Financial Statements, the 2023 Annual Report, the 2024 HY Report, the Q3 2024 Report and the Q4 2024 Earnings Release.

Section Heading	Sub-heading	Page(s)
2022 Financial Statements		
Whole Document		
2022 Annual Report		
III. Financial Affairs	3. Notes to the Consolidated Financial Statements	98-104 & 109
IV. Management Discussion and Analysis		All
IX. Affiliates and Subsidiaries	E. Equity investments in other corporations	337
XII. Appendix	3. Equity investments in other corporations (Details)	381-388
2023 Financial Statements		
Whole Document		
2023 Annual Report		
I. Corporate Overview	3. Changes in paid-in capital	11-12
	4. Stock information	12-20
II. Business Overview		All
III. Financial Affairs	2. Consolidated Financial Statements	60-63
	3. Notes to the Consolidated Financial Statements	92-93, 103 & 130-132
IV. Management Discussion and Analysis		All
V. Auditor's Report		All
VI. Corporate Governance	E. Stock affairs	273-274
VIII. Executives and Employees	1. Executives and employees	284-287

IX. Affiliates and Subsidiaries	E. Equity investments in other corporations	318
X. Transactions with Affiliates and Subsidiaries		All
XII. Appendix	3. Equity investments in other corporations (Details)	360-367
	4. R&D results (detailed)	368-396
2024 HY Report		
I. Corporate Overview		All
VI. Corporate Governance		All
VII. Information on Shareholders		All
VIII. Executives and Employees	2. Remuneration for Directors	192-201
IX. Affiliates and Subsidiaries		All
XI. Other Information	3. Sanctions and others	225-228
	4. Subsequent events and other matters	229-232
XII. Appendix	1. Subsidiaries subject to consolidated financial statements (detailed)	233-240
Q3 2024 Report		
II. Business Overview		All
III. Financial Affairs		All
V. Auditor's Report		All
VII. Information on Shareholders		All
VIII. Executives and Employees		All
X. Transactions with Affiliates and Subsidiaries		All
XI. Other Information	2. Contingent liabilities	155
XII. Appendix	4. R&D results (detailed)	157-179
Q4 2024 Earnings Release		
4Q 2024 Highlights		5
4Q 2024 Results & Financial Data		6
Results by Business Segment		7-12
Appendix 1: Financial Position (Summary)		13
Appendix 2: Cash Flow (Summary)		14

Portions of the 2022 Financial Statements, the 2022 Annual Report, the 2023 Financial Statements, the 2023 Annual Report, the HY 2024 Report, the Q3 2024 Report and Q4 2024 Earnings Release that are not incorporated herein are either (i) not relevant to investors or (ii) relate to information addressed elsewhere in this Prospectus.

The documents incorporated herein may themselves incorporate by reference further information and documents, which do not form part of the Prospectus for UK Prospectus Regulation purposes. Any websites referred to herein shall not form part of this Prospectus and have not been reviewed or approved by the FCA.

PART IV
THE LISTING AND DESCRIPTION OF THE GLOBAL DESPOITARY SHARES

1. LSE LISTING AND LUXSE DELISTING

On Admission there will be GDRs evidencing 1,566,044 fully paid GDSs in issue, each representing twenty-five (25) of the Company's NVP Shares, with par value of 100 KRW per NVP Share. Admission is expected to take place at 8:00 a.m. London time on 13 February 2025. On Admission, the GDRs will be admitted to the 'certificates representing certain securities (depositary receipts)' category of the FCA's Official List and to the LSE's main market for listed securities. The GDRs will be registered with ISIN US7960502018 and SEDOL number B16D4P2. It is expected that the GDRs will be traded on the main market for listed securities of the LSE under the ticker symbol "SMSD LI".

The Company has an existing listing of its GDRs on the LuxSE, which commenced trading on 21 May 1991 (ISIN: US7960502018). On 6 November 2024, the Company applied to cancel the listing of its GDRs on the LuxSE. On 25 November 2025, the LuxSE approved this application. It is expected that the LuxSE Delisting will take effect shortly following Admission, and, in any event, no later than 31 March 2025.

2. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	**Time and Date[(1)]**
Publication of Prospectus	10 February 2025
Admission and commencement of dealings	8:00 a.m. on 13 February 2025
LuxSE Delisting	by no later than 31 March 2025

(1) References are to London time. Each of the dates is subject to change without further notice.

3. RIGHTS ATTACHING TO THE GDRS AND THE UNDERLYING SHARES

3.1 Description of the underlying shares

The Company's authorised share capital is 25,000,000,000, which consists of common shares and NVP Shares. The Company is currently authorised to issue up to 5,000,000,000 NVP Shares. Under the Korean Financial Investment Services and Capital Markets Act, the total number of NVP Shares of a publicly listed company may not exceed 50 per cent. of the total aggregate issued and outstanding shares of such company. As at 30 September 2024, 5,969,782,550 Common Shares and 822,886,700 NVP Shares are issued and outstanding, excluding the number of retired shares. All of the issued and outstanding shares of the Company have a par value of KRW100 per share, are fully-paid and non-assessable, and are in registered form. Due to the retirement of shares, as at 30 September 2024, the total par value of the shares issued was KRW 679,267 million.

The existing period of the NVP Shares shall be for ten (10) years from the date of issuance, then the NVP Shares shall be converted into common shares upon the maturity thereof; provided that if the holders of the NVP Shares do not receive the dividends entitled to them before the maturity date, then the existing period shall be extended until such holders receive the dividends entitled to them in full.

3.2 Voting and Dividends

Except as described herein, holders of the GDRs will be entitled to receive any dividends to the same extent as the holders of NVP Shares. In accordance with Korean practice with respect to newly issued shares, the NVP Shares represented by the GDRs will be entitled to such portion of the annual dividend for 2025 as corresponds to the portion of the year during which such NVP Shares are outstanding.

With respect to the NVP Shares issued before the amendment of the Articles of Incorporation and the effective date thereof (28 February 1997), such NVP Shares are eligible for an additional 1% cash dividend over par value per annum compared to ordinary shares, but without voting rights. The holders of NVP Shares are not entitled to vote on any resolution or to receive notice of any general meeting of shareholders unless the agenda of the meeting includes consideration of a resolution on which such holders are entitled to vote.

The dividend on new NVP Shares issued on or after 28 February 1997 shall be an amount not less than 9% of face value, as determined by the Board of Directors or such committee as authorised by the Board of Directors at the time of issuance of the relevant shares.

If the Company is unable to pay any dividend to the holders of NVP Shares or is unable to pay such additional 1% dividend as provided in the Articles of Incorporation, then the holders of such NVP Shares shall become enfranchised and will be entitled to exercise voting rights from and including the general meeting of shareholders following the general meeting of shareholders at which a resolution not to pay dividends is adopted until the close of the general meeting of shareholders at which a resolution to pay dividends is adopted. The holders of enfranchised NVP Shares have the same rights as holders of common shares to request, receive notice of, attend and vote at a general meeting of shareholders.

3.3 Protection of Rights of Holders of NVP Shares

The Korean Commercial Code protects the rights of shareholders in a company which has more than one class of shares by providing that, if a certain class of shareholders may be prejudiced by an action at a general meeting of shareholders or a board of directors meeting (such as the adoption of special pre-emptive rights, consolidation of shares, a split of shares, redemption of shares, merger or consolidation of the company, or amendment to the company's articles of incorporation), an affirmative vote of two-thirds of those shareholders present or represented at a meeting of the affected class and of at least one third of the total number of issued and outstanding shares of such class must be obtained at a meeting. In certain limited circumstances dissenting shareholders have the right to request the Company to purchase their shares.

4. DESCRIPTION OF THE GDRS

Citibank, N.A. is the depositary for the Global Depositary Shares, or "**GDS**". The following is a description of certain provisions of the Third Amended and Restated Non-Voting Capital Stock Deposit Agreement, entered into on 12 February 2009, and amended on 30 May 2023 (as so amended, the "**Deposit Agreement**"), by the Company, the Depositary and the Holders and Beneficial Owners (each as defined in the Deposit Agreement) from time to time of GDRs. This description does not purport to be complete and is qualified in its entirety by reference to the Deposit Agreement. The GDRs are duly authorised according to the requirements of the Company's Articles of Incorporation.

Terms used herein and not otherwise defined shall have the respective meanings set forth in the Deposit Agreement.

A copy of the Deposit Agreement is available for inspection at the Principal New York Office of the Depositary, currently located at 388 Greenwich Street, New York, New York 10013, and at the Principal London Office of the Depositary currently located at Citigroup Centre, 33 Canada Square, London E14 5LB, United Kingdom. GDRs evidencing the GDSs are issuable by the Depositary pursuant to the Deposit Agreement. As of the date hereof, each GDR evidences twenty-five (25) NVP shares deposited with the Depositary's custodian in Seoul (the "**Custodian**"). The Custodian is Korea Securities Depository located at 23 Yeouinaru-ro 4-gil, Yeongdeungpo-gu, Seoul 07330, Korea. A GDR may represent any number of GDSs.

If you become an owner of GDSs, you will become a party to the Deposit Agreement and therefore will be bound to its terms and to the terms of the GDR that represents your GDSs. The Deposit Agreement and the GDR specify our rights and obligations as well as your rights and obligations as owner of GDSs and those of the Depositary. The Deposit Agreement is governed by New York law. However, our obligations to the holders of NVP Shares will continue to be governed by Korean laws, which may be different from the laws in the United States. In addition, we note that the laws and regulations of Korea may restrict the deposit and withdrawal of the NVP Shares into or from the depositary receipts facility (see –*Deposit and Withdrawal of Shares*, below).

DTC has accepted the GDSs in its book-entry settlement system. A single master GDR (the "**Master GDR**") evidencing all the GDSs was previously issued to DTC and registered in the name of Cede & Co., as nominee of DTC. Therefore, Cede & Co. will be the holder of record of all of the GDSs. So long as the GDSs are traded in DTC's book-entry settlement system or unless otherwise required by law, ownership of beneficial interest in the Master GDR will be shown on, and the transfer of such ownership will be effected only through, records maintained by (i) DTC or its nominee or (ii) institutions that have accounts with DTC. Except as expressly provided in this Description of the GDRs and under "*Interchangeability for GDRs in Certificated Form*", below, owners of beneficial interests in the Master GDR will not be entitled to receive a physical GDR evidencing such GDSs. Where the context requires, the term "GDR" includes the Master GDR.

Euroclear and Clearstream (as defined herein) have accepted the GDSs for settlement in their systems on a book-entry basis. Euroclear and Clearstream will hold GDSs on behalf of their participants through their respective depositaries which are participants in DTC. Transfers within DTC, Euroclear and Clearstream will be in accordance with the usual rules and operating procedures of the relevant system. Cross-market transfers between investors who hold or who will hold GDSs through DTC and investors who hold or who will hold GDSs through Euroclear and/or Clearstream will be effected in DTC through the respective depositaries of Euroclear and Clearstream.

If DTC ceases to make its book-entry settlement system available for the GDSs, the Company will consult with the Depositary regarding other arrangements for book-entry settlement. Only in the event that it is impracticable without undue effort or expense to continue to have the GDSs available in book-entry form, except as expressly provided below under "*Interchangeability for GDRs in Certificated Form*", will the Company instruct the Depositary to make the GDRs available in physical, certificated form to all of the owners of beneficial interests in the Master GDR with such modifications to the form of GDRs and the Deposit Agreement as the Company and the Depositary may agree.

Under the terms of the GDSs, each purchaser of GDSs is deemed to have represented and agreed that it understands that the GDRs, the GDSs and the NVP Shares underlying the GDSs have not been registered under the Securities Act, and that they may be offered, sold, pledged or otherwise transferred only (i) to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A under the Securities Act, (ii) pursuant to and in accordance with Regulation S under the Securities Act to a non-U.S. person as defined in Regulation S or (iii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States. Each GDR contains a legend to the foregoing effect.

At some future time it might be possible to sell the above securities in accordance with Rule 144 under the Securities Act, depending upon future events and circumstances which cannot be determined at this time. It is impossible to predict when (if ever) sales may be made in accordance with Rule 144, since subsequent deposits of NVP Shares, among other things, may prolong the holding period that must elapse before Rule 144 becomes available, and there can be no assurance that the Company will amend the Deposit Agreement to permit sales to persons other than qualified institutional buyers in Rule 144A transactions or non-U.S. persons in accordance with Regulation S.

The foregoing restrictions apply to offers, sales, pledges and transfers made at any time, whether or not the GDSs have previously been offered, sold, pledged or transferred outside the United States.

4.1 Available Information

The Company publishes the information contemplated in Rule 12g3-2(b)(2)(i) under the Exchange Act on its internet website or through an electronic information delivery system generally available to the public in the Company's primary trading market. As of the date hereof, the Company's internet website is https://www.samsung.com/global/ir/. The information so published by the Company may not be in English, except that the Company is required, in order to maintain its exemption from the Exchange Act reporting obligations pursuant to Rule 12g3-2(b), to translate such information into English to the extent contemplated in the instructions to Rule 12g3-2(b). The information so published by the Company cannot be retrieved from the Commission's internet website, and cannot be inspected or copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington, D.C. 20549.

4.2 Deposit and Withdrawal of Shares

Subject to the terms and conditions of the Deposit Agreement, the Depositary has agreed that upon deposit with the Custodian in Seoul, or upon the electronic transfer to the account maintained by the Custodian, of NVP Shares and provision of the certification provided for in the Deposit Agreement it will make appropriate adjustments to its records for the number of GDSs representing the NVP Shares so deposited and notify DTC as to the increase in the number of GDSs evidenced by the Master GDR. The Custodian will refuse to accept NVP Shares for deposit whenever it is notified in writing that the Company has restricted transfer of such NVP Shares to comply with ownership restrictions under applicable law, that such deposit would result in any violation of applicable laws, or that such deposit would cause the total number of NVP Shares deposited to exceed a level from time to time determined by the Company. The Custodian will also refuse to accept certain NVP Shares for deposit when notified that NVP Shares are to be listed on a U.S. securities exchange or quoted on a U.S. automated interdealer quotation system, and thus certain of such NVP Shares are no longer eligible for trading under Rule 144A.

A deposit of NVP Shares pursuant to the preceding paragraph may be made by the surrender at the Principal New York Office of the Depositary of other depositary receipts evidencing depositary shares representing NVP Shares issued pursuant to other depositary arrangements between the Company and the Depositary, provided that any such surrendered receipt is accompanied by the certification provided for in the Deposit Agreement.

Upon surrender of GDRs at the Principal London Office of the Depositary (and if the GDRs are not available in book-entry form, at its Principal New York Office) or upon receipt of written instructions by the Depositary from DTC or its nominee on behalf of any person having a beneficial interest in the Master GDR, and, in either case, upon payment of the charges provided in the Deposit Agreement, subject to the terms of the Deposit Agreement and the ownership restrictions applicable to the NVP Shares, GDR Holders and persons having a beneficial interest in the Master GDR are entitled to physical delivery within or without the United States or electronic delivery outside the United States of the NVP Shares and any other documents of title at the time represented by the surrendered GDRs; provided, however, that such withdrawals of NVP Shares may not be permitted until the fifteenth day after issuance of GDSs backed by newly issued shares. NVP Shares may be withdrawn from the Custodian's account if such NVP Shares are immediately thereafter deposited into a separate account with the Custodian for the purpose of creating and issuing a depositary receipt pursuant to other depositary arrangements entered into by the Company and the Depositary subsequent to the date of the Deposit Agreement.

Any Holder requesting withdrawal of NVP Shares shall deliver to the Depositary, together with properly executed instruments of transfer, a written order directing the Depositary to cause the NVP Shares being withdrawn to be either physically delivered in or outside of the United States or electronically delivered outside the United States, subject to the terms and conditions of the Deposit Agreement, to or upon the written order of the person designated in such order. Such written order shall be accompanied by a statement made by or on behalf of the person requesting such withdrawal that (i) in the case of withdrawal and physical delivery of NVP Shares into the United States, such delivery is being made to or for the account of the person requesting withdrawal, without transfer, or (ii) in the case of withdrawal and physical

or electronic delivery of NVP Shares outside the United States, such delivery is being made (a) to or for the account of the person requesting such withdrawal, or (b) in a transaction not subject to the registration requirements of the Securities Act. The forwarding of share certificates and other documents of title for such delivery to a Holder, or as ordered by him, will be at the risk and expense of the Holder or the person submitting such written instructions for delivery.

NVP Shares physically delivered upon withdrawal to an address in the United States will contain a legend substantially in the form described in Exhibit A to the Deposit Agreement.

4.3 Interchangeability for GDRs in Certificated Form

Subject to the terms and conditions of the Deposit Agreement, upon receipt by the Depositary at its Principal New York Office of written instructions from DTC or its nominee on behalf of any person having a beneficial interest in GDSs evidenced by the Master GDR for the purpose of directing the Depositary to execute and deliver a GDR in physical, certificated form evidencing such GDSs, and upon receipt by the Depositary at its Principal London Office of a written order of such person containing registration instructions and such other information as the Depositary may require in order to execute and deliver such GDR in physical, certificated form, and together with certification from such person that such GDR is being (i) acquired for its own account, without transfer, or (ii) transferred in compliance with the restrictions on transfer appearing in the legend on the GDRs, and upon payment of the fees and expenses of the Depositary, the Depositary shall update its records to reflect the number of GDSs evidenced by the Master GDR.

Subject to the terms and conditions of the Deposit Agreement, upon receipt by the Depositary at its Principal London Office of a GDR in physical, certificated form, duly endorsed or accompanied by appropriate instruments of transfer, in form satisfactory to the Depositary, together with certification that the exchange of GDRs in physical, certificated form is being made (i) without transfer, or (ii) in compliance with the restrictions on transfer appearing in the legend on the GDRs, and together with written instructions directing the Depositary to adjust its records to reflect an increase in the aggregate number of GDSs evidenced by the Master GDR, the Depositary shall cancel such physical GDR and reflect such increase in the number of GDSs evidenced by the Master GDR.

5. RIGHTS OF GDR HOLDERS

5.1 Dividends, Other Distributions and Rights

To the extent that the Depositary can in its judgment convert KRW (or any other foreign currency) into U.S. dollars on a reasonable basis and transfer the resulting dollars to the United States, the Depositary is required to convert or cause to be converted all cash dividends and other cash distributions received by it on the deposited NVP Shares into U.S. dollars and to distribute the resulting U.S. dollars to the Holders of GDRs in proportion to the number of GDSs representing such NVP Shares held by each of them, after deduction or upon payment of the fees and expenses of the Depositary. The amounts distributed will be reduced by any amounts required to be withheld by the Company or the Depositary or the Custodian on account of taxes or other governmental charges. If the Depositary determines that in its judgment any currency other than U.S. dollars received by it cannot be so converted, the Depositary may distribute the currency received by it to the extent legally permitted or in its discretion hold such currency for the respective accounts of GDR Holders entitled to receive the same.

In the event that the Custodian or the Depositary receives any distribution upon any deposited Non- Voting Shares in property or securities (other than NVP Shares, Common Shares or rights upon Non- Voting Shares or Common Shares), the Depositary is obliged to distribute such property to the Holders of GDRs entitled thereto, after deduction or upon payment of the fees and expenses of the Depositary, in proportion to their holdings, in any manner that the Depositary deems equitable and practicable. If in the opinion of the Depositary, however, the distribution of such property cannot be made proportionately among such GDR Holders, or if for any other reason (including any requirements that the Company, the Custodian or the Depositary withhold an amount on account of taxes or that such securities must be registered under the Securities Act) the Depositary deems such distribution not to be feasible, the Depositary, after consultation with the Company, may adopt such method as it may deem equitable or practicable in order to effect such distribution, including the sale (at public or private sale) of all or any part of such property or securities and the distribution to GDR Holders of the net proceeds of any such sale.

If a distribution by the Company consists of a dividend in, or free distribution of, NVP Shares, the Depositary may, with the Company's approval, and will if the Company so requests, either (i) distribute to the Holders of outstanding GDRs, in proportion to their holdings, additional GDRs for an aggregate number of GDSs representing the number of NVP Shares received as such dividend or free distribution, or (ii) reflect on the records of the Depositary such increase in the aggregate number of GDSs representing such NVP Shares, in either case after deduction or payment of the fees and expenses of the Depositary. If the Depositary deems such distribution for any reason not to be feasible, the Depositary may, after consultation with the Company, adopt such method as it may deem equitable and practicable for the purpose of effecting such distribution, including the sale (at public or private sale) of the NVP Shares received, and the net proceeds of any such sale will be distributed by the Depositary to the Holders of GDRs entitled thereto as in the case of a distribution in cash. In lieu of issuing GDRs for fractional GDSs in any such case, the Depositary shall sell the number of shares of NVP Shares represented by the aggregate of such fractions and distribute the net proceeds in dollars. If additional GDRs are not so issued and such change in the records of the Depositary is not made, each GOS shall thenceforth also represent the additional NVP Shares distributed with respect to the NVP Shares represented thereby.

If a distribution by the Company consists of a dividend in Common Shares, the Depositary shall issue and distribute to the Holders of outstanding GDRs, in proportion to their holdings, depositary shares representing the number of Common Shares received as such dividend pursuant to the terms and provisions of a Common Stock Deposit Agreement substantially in the form attached as an exhibit to the Deposit Agreement, with such changes, deletions, additions and modifications as the Depositary and the Company may, from time to time, deem necessary or advisable to reflect any changes to Korean or other law or in the Company’s Articles of Incorporation (the “**Common Stock Deposit Agreement**”). In lieu of issuing receipts for fractional depositary shares representing such Common Shares in any such case, the Depositary shall sell the number of Common Shares represented by the aggregate of such fractions and distribute the net proceeds in dollars. If the Depositary deems such distribution for any reason not to be feasible, the Depositary may, after consultation with the Company, adopt such method as it may deem equitable and practicable for the purpose of effecting such distribution, including the sale (at public or private sale) of the Common Shares received and the net proceeds of any such sale will be distributed by the Depositary to the Holders of outstanding GDRs as in the case of a distribution received in cash.

If the Company offers or causes to be offered to the holders of NVP Shares any rights to subscribe for additional NVP Shares or any rights of any other nature, the Depositary, after consultation with the Company, may make such rights available to the Holders of GDRs or dispose of such rights on behalf of such Holders and make the net proceeds available in dollars or, if the Depositary is unable to take such action, it may allow the rights to lapse; provided, however, if requested by the Company, the Depositary will either (a) make such rights available to all or certain Holders of GDRs by means of warrants or otherwise, if lawful and feasible in the determination of the Depositary, (b) if making such rights available is not lawful or feasible in the determination of the Depositary, or if the rights represented by such warrants or other instruments are not exercised and appear to be about to lapse, sell in its discretion such rights or warrants or other instruments at public or private sale, at such place or places and upon such terms as the Depositary may deem proper, after deduction or upon payment of the fees and expenses of the Depositary, and allocate the proceeds of such sales for the accounts of the Holders of GDRs otherwise entitled thereto upon an averaged or other practicable basis without regard to any distinctions among such Holders because of exchange restrictions or the date of delivery of any GDR or GDRs, or otherwise, or (c) in its discretion, if lawful and feasible, after deduction or upon payment of the fees and expenses of the Depositary, and upon provision of any specified documents or certifications, cause certain of the rights to be exercised and the securities obtained to be sold under Regulation S or to be resold under Rule 144A to or privately placed with those Holders or Beneficial Owners to whom such sales or resales may be made or with whom such private placement may be made without the rights or the securities to which such rights relate being registered under the Securities Act.

In the event that the Company issues any rights with respect to Common Shares, the securities issuable upon any exercise, whether by subscription or otherwise, of such rights by Holders of GDRs shall be depositary shares representing such Common Shares issued pursuant to the terms and provisions of the Common Stock Deposit Agreement.

The Depositary will not make available to Holders of GDRs any right to subscribe for or to purchase any securities unless a registration statement under the Securities Act is in effect or unless the offering and sale of such securities to such Holders are exempt from registration under the provisions of the Securities Act.

5.2 Record Dates

Whenever any cash dividend or other cash distribution becomes payable or any distribution other than cash is made, or whenever rights are issued with respect to the NVP Shares, or whenever the Depositary causes a change in the number of NVP Shares that are represented by each GDS, or whenever the Depositary shall receive notice of any meeting of holders of NVP Shares, the Depositary will fix a record date after consultation with the Company (which shall be as near as practicable to the corresponding record date for NVP Shares set by the Company) for the determination of the Holders of GDRs who are entitled to receive such dividend, distribution or rights or the net proceeds of the sale thereof, or to give instructions for the exercise of voting rights, if any, at any such meeting, subject to the provisions of the Deposit Agreement.

5.3 Voting of the Underlying NVP Shares

In the event holders of NVP Shares (including Holders of GDSs) are entitled to vote, and upon receipt of notice of any meeting of holders of NVP Shares, if requested in writing by the Company, the Depositary has agreed that, as soon as practicable thereafter, it will distribute the information contained in such notice of meeting to the Holders of GDRs. The Holders of GDRs at the close of business on the date specified by the Depositary are entitled under the Deposit Agreement, subject to any applicable provisions of Korean law and of the Articles of Incorporation of the Company, to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the number of NVP Shares represented by their respective GDSs; provided however, that any Holder of GDRs shall not be entitled to give such an instruction with respect to the GDSs beneficially owned by such Holder if and to the extent the total number of NVP Shares represented by such GDSs exceeds any limit under applicable law with respect to which the Company may, from time to time, notify the Depositary. If the Depositary does not receive instructions from a Holder of GDSs on or before the date established by the Depositary for such purpose, the Depositary shall deem the Holder of such GDSs to have authorised the Depositary to give a discretionary proxy for the NVP Shares represented by the GDSs, and the Depositary shall endeavor insofar as practicable to give such discretionary proxy for the Shares represented by the GDSs to a person designated by the Company in writing to the Depositary; provided, however, the Depositary shall not give any such discretionary proxy if the Depositary has knowledge (based upon any written information received from or on behalf of the Company) that any item to be voted on, as outlined in the materials distributed to Holders pursuant to the Deposit Agreement, authorised a merger of the Company into another entity, consolidation, dissolution or filing of bankruptcy, corporate reorganization or composition proceedings. Upon the receipt of instructions of a Holder on such record date, received on or before the date established by the Depositary for such purpose, the Depositary shall endeavor insofar as is practicable to vote or cause to be voted the amount of NVP Shares represented by such GDSs in accordance with the instructions set forth in such request.

5.4 Inspection of Transfer Books

The Depositary will keep books, at its Principal New York Office, for the registration and transfer of GDRs, which at all reasonable times will be open for inspection by the GDR Holders, provided that such inspection shall not be for the purpose of communicating with Holders of GDRs in the interest of a business or object other than the business of the Company or a matter related to the Deposit Agreement or the GDRs.

5.5 Reports and Notices

On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of NVP Shares, or of any adjourned meeting of such holders, or of the taking of any action in respect of any cash or other distributions or the offering of any rights in respect of the Non- Voting Shares, the Company agrees to transmit to the Depositary sufficient copies of the notice thereof in the form given or to be given to holders of NVP Shares. The Depositary will, at the Company's expense, arrange for the mailing of copies or distribution thereof to all GDR Holders or, at the reasonable request of the Company, make such notices, reports (other than the Company's annual report to shareholders and semi-annual or any other periodic interim report to shareholders) and communications available to all Holders of GDRs in the same manner as the Company makes them generally available to holders of NVP Shares, or on such other basis as the Company may advise the Depositary as being required by any law or regulation or any requirement of any stock exchange to which the Company may be subject. The Depositary may at the Company's expense, obtain English translations of any notices, reports or communications from the Company which are not initially furnished to the Depositary in English.

The Depositary will make available for inspection by GDR Holders at its Principal New York Office and its Principal London Office and at the office of each Custodian copies of the Deposit Agreement and any reports and communications received from the Company which are both (a) received by the Depositary as the holder of the NVP Shares, and (b) made generally available to the holders of such deposited Non- Voting Shares by the Company. The Depositary will also send to GDR Holders copies of such reports when furnished by the Company as provided in the Deposit Agreement.

5.6 Changes Affecting Deposited Shares

Upon any change in par value, split-up, consolidation, or any other reclassification of deposited Non- Voting Shares, or upon any recapitalisation, reorganisation, merger or consolidation of the Company or sale of assets by the Company, any securities which shall be received by the Depositary or the Custodian in exchange for or in conversion of or in respect of deposited NVP Shares shall be treated as new Deposited Securities under the Deposit Agreement, and the GDSs shall thenceforth represent the new securities so received in exchange or conversion, unless additional or new GDRs are delivered as described in the following sentence. In any such case the Depositary may, with the Company's approval and pursuant to applicable law, and shall, if the Company so requests, execute and deliver additional GDRs or make appropriate adjustments in its records, as in the case of a stock dividend on the NVP Shares, or call for the surrender of outstanding GDRs to be exchanged for new GDRs specifically describing such new Deposited Securities.

5.7 Amendment and Termination of the Deposit Agreement

The GDRs and the Deposit Agreement may at any time be amended by agreement between the Company and the Depositary. Any amendment which imposes or increases any fees or charges (other than the fees of the Depositary for the issuance, execution and delivery of GDRs and taxes and other governmental charges), or which otherwise prejudices any substantial existing right of GDR Holders, will not take effect as to outstanding GDRs until the expiration of one month after the notice of such amendment has been given to the Holders of outstanding GDRs. Every Holder and Beneficial Owner of a GDR at the time any amendment becomes effective will be deemed, by continuing to hold such GDR or to own any beneficial interest therein, to consent and agree to such amendment and to be bound by the Deposit Agreement as amended thereby.

The Depositary has agreed, at any time at the direction of the Company, to terminate the Deposit Agreement by mailing notice of such termination to Holders of all GDRs then outstanding at least 30 days prior to the date fixed in such notice for such termination. The Depositary may likewise terminate the Deposit Agreement at any time 90 days after the Depositary shall have delivered to the Company a written notice of its election to resign and a successor depositary shall not have been appointed and accepted its appointment as provided in the Deposit Agreement. If any GDRs remain outstanding after the date of termination, the Depositary thereafter will discontinue the registration of transfers of GDRs, will suspend the distribution of dividends to the Holders thereof, will not accept deposits of NVP Shares, and will not give any further notices or perform any further acts under the Deposit Agreement, except the collection of dividends and other distributions pertaining to the deposited NVP Shares, the sale of property and rights and the conversion of deposited NVP Shares into cash as provided in the Deposit Agreement and the delivery of deposited NVP Shares, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any rights or other property, in exchange for surrendered GDRs. At any time after the date of termination, the Depositary may sell the deposited NVP Shares and hold the net proceeds, together with any other cash then held, without liability for interest, for the pro rata benefit of the Holders of GDRs which have not theretofore been surrendered.

5.8 Limitations on Obligations and Liabilities

The Deposit Agreement limits the Company's obligations and the Depositary's obligations to Holders. In particular, the Depositary assumes no obligation nor shall it be subject to any liability under the Deposit Agreement to Holders or beneficial owners of GDRs (including, without limitation, liability with respect to the validity or worth of the deposited securities), except that it agrees to use its best judgment and to act in good faith in the performance of its duties set forth in the Deposit Agreement. The Depositary shall not be subject to any liability under the Deposit Agreement to the Company or the Holders or Beneficial Owners of GDRs for failure to perform any duties set forth therein if the performance of such duties will cause, or is likely to cause, in the reasonable, good faith judgment of the Depositary, a violation of the laws or regulations of Korea. The Depositary agrees to use its reasonable efforts to obtain any consent, license or approval of any governmental organization or agency of Korea which may be required in order for the Depositary to perform any function contemplated hereby.

The Depositary and the Company undertake to perform such duties and only such duties as are specifically set forth in the Deposit Agreement, and no implied covenants or obligations shall be read into the Deposit Agreement against the Depositary or the Company.

Neither the Depositary nor the Company shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Securities or in respect of the Receipts, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense and liability be furnished as often as may be required, and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depositary.

Neither the Depositary nor the Company shall be liable for any action or inaction by it in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder or Beneficial Owner of a Receipt, or any other person believed by it in good faith to be competent to give such advice or information. Each of the Depositary, its agents and the Company may rely and shall be protected in acting upon any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

The Depositary shall not be responsible for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any such vote is cast or the effect of any such vote, provided that any such action or omission is in good faith and in accordance with the terms of the Deposit Agreement.

5.9 Charges of Depositary

As a GDS holder, you will be required to pay the following fees under the terms of the Deposit Agreement:

Service	*Rate*	*By Whom Paid*
Issuance of GDSs upon deposit of NVP Shares (excluding issuances as a result of distributions described in row 4, below).	Up to U.S.$5.00 per 100 GDSs (or fraction thereof) issued.	Person depositing NVP Shares or person receiving GDSs.
Delivery of deposited securities against surrender of GDSs.	Up to U.S.$5.00 per 100 GDSs (or fraction thereof) surrendered.	Person surrendering GDSs for the purpose of withdrawal of deposited securities or person to whom deposited securities are delivered.
Distribution of cash dividends or other cash distributions (*i.e.*, sale of rights and other entitlements).	Up to U.S.$2.00 per 100 GDSs (or fraction thereof) held.	Person to whom distribution is made.
Distribution of GDSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional GDSs.	Up to U.S.$5.00 per 100 GDSs (or fraction thereof) held.	Person to whom distribution is made.
Distribution of securities other than GDSs or rights to purchase additional GDSs (*i.e.*, spin-off shares).	Up to U.S.$5.00 per 100 GDSs (or fraction thereof) held.	Person to whom distribution is made.
Depositary services.	Up to U.S.$5.00 per GDSs (or fraction thereof) held on the applicable record date(s) established by the Depositary.	Person holding Rule 144A GDSs on the applicable record date(s) established by the Depositary.

As a GDS holder you will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;
- registration fees as may from time to time be in effect for the registration of NVP Shares or other deposited securities on the share register and applicable to transfers of NVP Shares or other deposited securities to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;
- cable, telex and facsimile transmission and delivery expenses as are expressly provided in the deposit agreement to be at the expense of the person depositing Non-Voting Shares or withdrawing deposited securities or of the holders and beneficial owners of GDSs;
- in connection with the conversion of foreign currency, fees, expenses, spreads, taxes and other charges of the depositary and/or conversion service providers (which may be a division, branch or affiliate of the depositary). Such fees, expenses, spreads, taxes, and other charges shall be deducted from the foreign currency;
- any reasonable and customary out-of-pocket expenses incurred in such conversion and/or on behalf of the holders and beneficial owners in complying with currency exchange control or other governmental requirements; and
- the fees, charges, costs, and expenses incurred by the depositary, the Custodian or any nominee in connection with the GDR program.

Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the Depositary. You will receive prior notice of such changes.

5.10 Taxes

As a GDS holder, you will be responsible for the taxes and other governmental charges payable on the GDSs and the securities represented by the GDSs. The Company, the Depositary and the Custodian may deduct from any distribution the taxes and governmental charges payable by holders of GDSs and may sell any and all property on deposit to pay the taxes and governmental charges payable by holders of GDSs. You will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The Depositary may refuse to issue GDSs, to deliver, transfer, split and combine GDRs or to release securities on deposit until all taxes and charges are paid by the applicable holder of GDSs. You may be required to provide to the depositary and to the custodian proof of taxpayer status and residence and such other information as the depositary and the custodian may require to fulfill legal obligations. Each GDS holder is required to indemnify the Company, the Depositary and the Custodian for any claims with respect to taxes based on any tax benefit obtained for such holder.

5.11 Foreign Currency Conversion

The depositary will arrange for the conversion of all foreign currency received into U.S.$ if such conversion is reasonable, and it will distribute the U.S.$ in accordance with the terms of the Deposit Agreement. As a GDS holder, you may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not reasonable or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary may take the following actions in its discretion:

- Distribute the foreign currency to holders for whom the distribution is lawful and practicable;
- Hold the foreign currency (without liability for interest) for the applicable holders;
- Convert the foreign currency to the extent practicable and lawful and distribute the U.S. dollars to the holders for whom the conversion and distribution is lawful and practicable.

The Depositary and/or its agent (which may be a division, branch, or affiliate of the depositary) may act as principal for any conversion of foreign currency.

5.12 General

Neither the Depositary nor the Company will be liable to the Holders of GDRs if prevented or delayed by law, governmental authority, any provision of the Articles of Incorporation of the Company or any circumstances beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the Depositary under the Deposit Agreement are expressly limited to using their best judgment and performing in good faith their respective duties specified therein. The GDRs are transferable on the books of the Depositary; provided, however, that the Depositary may, after consultation with the Company, close the transfer books at any time or from time to time, when deemed expedient by it in connection with the performance of its duties. As a condition precedent to the execution and delivery, registration of transfer, split-up, combination or surrender of any GDR or transfer and withdrawal of deposited NVP Shares, the Depositary or the Custodian may require payment from the presenter of the GDR or the depositor of the NVP Shares of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto and payment of any applicable fees payable by the Holders of GDRs. The Depositary will refuse to register transfers of any GDS if such registration would cause the total number of NVP Shares represented by GDSs held by any Holder of such GDSs to exceed the number of NVP Shares as determined by the Company in order to comply with any ownership restrictions as provided in the Deposit Agreement and notified in writing, from time to time, to the Depositary.

The Depositary may refuse to deliver GDRs, register the transfer of any GDR or make any distribution of, or related to, the NVP Shares until it or the Custodian has received such proof of citizenship, residence, exchange control approval, legal or beneficial ownership or other information as it may deem necessary or proper. The delivery, transfer and surrender of GDRs generally may be suspended during any period when the transfer books of the Depositary or the Company are closed, or if any such action is deemed necessary or advisable by the Depositary or the Company at any time or from time to time in accordance with the Deposit Agreement.

5.13 Citibank, N.A.

The Depositary is a wholly-owned subsidiary of Citigroup Inc., a Delaware corporation, whose principal office is located in New York, New York. The Bank is a commercial bank offering a wide range of banking and trust services to its customers in the New York City metropolitan area, throughout the United States and around the world.

5.14 Legislation under which the securities have been created

The GDRs and the Deposit Agreement are governed by the laws of the State of New York. Notwithstanding anything contained in the Deposit Agreement, any global depositary receipt or any present or future provisions of the laws of the State of New York, the rights of GDR holders and the obligations and duties of the Company in respect of GDR holders are governed by the laws of the Republic of Korea.

PART V

DESCRIPTION OF ARRANGEMENTS TO SAFEGUARD THE RIGHTS OF GDS HOLDERS

1. THE DEPOSITARY

The Depositary is Citibank, N.A., a national banking association organised under the laws of the United States. The Depositary is an indirect wholly-owned subsidiary of Citigroup, Inc., a Delaware corporation. The Depositary is primarily regulated by the United States Office of the Comptroller of the Currency. There are no bank or other guarantees attached to the GDSs which are intended to underwrite the Depositary's obligations.

1.1 Rights of GDS Holders

Relationship of GDS Holders with the Depositary: The rights of GDS Holders against the Depositary are governed by the terms and conditions of the Deposit Agreement, which is governed by the laws of the State of New York. The Depositary, the Company and the GDS Holders are parties to the Deposit Agreement. As parties to the Deposit Agreement, the GDS Holders have contractual rights in relation to cash or other deposited property (including NVP Shares, which are NVP Shares of the Company represented by GDSs) deposited with the Depositary pursuant to Section 2.02 of the Deposit Agreement. The Depositary will hold the NVP Shares and other non-cash assets as bailee or as trustee through its duly appointed Custodian for the benefit of the GDS Holders; however, the Depositary does not otherwise assume any fiduciary relationship for or with the GDS Holders or the beneficial owners of the GDSs or any other person. Any cash held by the Depositary for GDS Holders will be held by the Depositary as banker.

Delivery of GDSs: The Deposit Agreement provides that the NVP Shares can only be delivered from the Rule 144A GDR facility to, or to the order of, a GDS Holder upon receipt and cancellation of such GDSs in accordance with the terms and conditions of the Deposit Agreement.

1.2 Rights of the Company

The Company has broad rights to remove the Depositary under the terms of the Deposit Agreement, but no specific rights under the Deposit Agreement are triggered in the event of the insolvency of the Depositary.

1.3 Insolvency of the Depositary

Applicable insolvency law: If the Depositary becomes insolvent, the insolvency proceedings will be governed by U.S. federal laws applicable to the insolvency of banks.

Effect of applicable insolvency law in relation to cash: The Depositary has agreed to use its best judgment and to act in good faith in the performance of its duties set forth in the Deposit Agreement. Under current U.S. and English law, it is expected that any cash held for GDS Holders by the Depositary as banker under the Deposit Agreement would constitute an unsecured obligation of the Depositary. GDS Holders would therefore only have an unsecured claim in the event of the Depositary's insolvency for such cash that would be also be available to general creditors of the Depositary.

Effect of applicable insolvency law in relation to non-cash assets: The Deposit Agreement states that the NVP Shares and other non-cash assets which are held by the Depositary for the benefit of the GDS Holders will be held by the Depositary through its Custodian. Under current U.S. and English law, it is expected that any NVP Shares and other non-cash assets held for GDS Holders by the Depositary (or its Custodian) pursuant to the terms and conditions of the Deposit Agreement would be considered held in 'bailment' or 'on trust', would not constitute proprietary assets of the Depositary and that GDS Holders would have ownership rights relating to such NVP Shares and other non-cash assets and be able to request the Depositary's liquidator, receiver or conservator to deliver such NVP

Shares and other non-cash assets that would be unavailable to general creditors of the Depositary.

(A) *Default of the Depositary*

If the Depositary fails to pay cash or deliver non-cash assets to GDS Holders in the circumstances required by the Deposit Agreement or otherwise engages in a default for which it would be liable under the terms of the Deposit Agreement, the Depositary will be in breach of its contractual obligations under the Deposit Agreement. In such case, GDS Holders will have a claim under New York law against the Depositary for the Depositary's breach of its contractual obligations under the Deposit Agreement.

2. THE CUSTODIAN

The Custodian is Korea Securities Depository, a company organised under the laws of South Korea.

Relationship of Holders of GDSs with the Custodian: The Custodian and the Depositary are parties to a custody agreement, which is governed by the laws of the Republic of Korea. The GDS Holders do not have any direct contractual relationship with, or direct rights enforceable against, the Custodian. The Custodian holds the deposited NVP Shares for the account and to the order of the Depositary, as property deposited in the Rule 144A GDR facility and thus for the benefit of the GDS Holders.

2.1 Default of the Custodian

Failure to deliver cash: If the Custodian fails to deliver cash to the Depositary as required under the custody agreement or otherwise engages in a default for which it would be liable under the terms of the custody agreement, the Custodian will be in breach of its contractual obligations under the custody agreement. In such case, the Depositary would have a claim under the laws of the Republic of Korea against the Custodian for the Custodian's breach of its contractual obligations under the custody agreement. The Depositary can also remove the Custodian and appoint a successor custodian and may exercise such rights if it deems necessary.

The Depositary's obligations: The Depositary has no obligation to pursue a claim for breach of obligations against the Custodian on behalf of GDS Holders. The Depositary is not responsible for and shall incur no liability in connection with or arising from default by the Custodian due to any act or omission to act on the part of the Custodian.

2.2 Insolvency of the Custodian

Applicable law: If the Custodian becomes insolvent, the insolvency proceedings will be governed by applicable Korean law.

The Depositary's obligations: The Depositary has no obligation to pursue a claim in the Custodian's insolvency on behalf of the GDS Holders. The Depositary has no responsibility for, and will incur no liability in connection with or arising from, the insolvency of any custodian. In the event of the insolvency of the Custodian, the GDS Holders have no direct recourse to the Custodian under the Deposit Agreement, though the Depositary can remove the Custodian and appoint a substitute or additional custodian(s) and may exercise such rights if it deems necessary.

PERSONS HOLDING TITLE TO GDRs OR BENEFICIAL INTERESTS THEREIN ARE REMINDED THAT THE ABOVE DOES NOT CONSTITUTE LEGAL ADVICE AND IN THE EVENT OF ANY DOUBT REGARDING THE EFFECT OF THE DEFAULT OR INSOLVENCY OF THE DEPOSITARY OR THE CUSTODIAN, SUCH PERSONS SHOULD CONSULT THEIR OWN ADVISORS IN MAKING A DETERMINATION.

PART VI
BUSINESS OVERVIEW

1. BUSINESS DESCRIPTION

For a description of, and key factors relating to, the nature of the Company's operations and its principal activities throughout the period covered by the Historical Financial Information, see pages 4-6 and 10-11 of the 2024 HY Report ("*I. Corporate Overview*").

For a description of (i) the Company's significant new products and services, and (ii) the Company's related business strategy and objectives, see pages 4-11 of the 2024 HY Report ("*I. Corporate Overview*").

For a description of the important events in the development of the Company's business, see pages 8-11 of the 2024 HY Report ("*I. Corporate Overview—2. Company History*").

For a description of the Company's organisational structure, including detailed information on the Company's affiliates and subsidiaries, see pages:

- 235 in the 2023 Annual Report ("*IV. Management Discussion and Analysis—D. Changes in organizational structure*"); and
- 201-218 and 233-240 of the 2024 HY Report ("*IX. Affiliates and Subsidiaries*" and "*XII. Appendix—1. Subsidiaries subject to consolidated financial statements (detailed)*").

For a description of the most significant recent trends impacting the Company's business, including trends in production, sales and inventory, costs and selling prices, as well as a breakdown of revenues and capital expenditures by business division, product type and region, see pages:

- 23-52 of the 2023 Annual Report ("*II. Businesses Overview*");
- 5-28 of the Q3 2024 Report ("*II. Business Overview*"); and
- 6-12 of the Q4 2024 Earnings Release.

1.1 Research and development

For information on activities in the field of research and development ("**R&D**"), including intellectual property and related major contracts, see pages:

- 38-42 and 368-396 of the 2023 Annual Report ("*II. Business Overview—6. Major contracts and research and development activities*") and ("*XII. Appendix—4. R&D results (detailed)*"); and
- 16-20 and 157-179 of the Q3 2024 Report ("*II. Business Overview—6. Major contracts and research and development activities*") and ("*XII. Appendix—4. R&D results (detailed)*").

1.2 Environmental, social and governance

For information on the Company's Environmental, Social and Governance activities and policies, see pages 229-232 in the 2024 HY Report ("*XI. Other Information—4. Subsequent events and other matters*").

1.3 Market description

For a description of (i) the principal markets in which the Company competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the Historical Financial Information, and (ii) the Company's business strategy and objectives, see pages:

- 25, 31-32 and 44-52 of the 2023 Annual Report ("*II. Business Overview—2. Key products and services*", "—4. *Revenue and long-term contracts*" and "*—7. Other information—C. Current status of each division*"); and

- 6 and 21-28 of the Q3 2024 Report ("*II. Business Overview—2. Key products and services*" and "*—7. Other information—C. Current status of each division*").

PART VII
MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS

The composition of the Board of Directors, as appointed by shareholders, is as follows:

Role	*Name/ Address*	*Title*	*Responsibility*	*Date of Birth*
Independent Directors	Han-Jo Kim	Chairman of the Board & Independent Director	Chairman of the Board. Audit Committee, Related Party Transactions Committee, Compensation Committee, Sustainability Committee	12 July 1956
	Jun-Sung Kim	Independent Director	Compensation Committee, Sustainability Committee	14 October 1967
	Eun-Nyeong Heo	Independent Director	Independent Director Recommendation Committee, Related Party Transactions Committee, Sustainability Committee	7 August 1964
	Myung-Hee Yoo	Independent Director	Audit Committee, Independent Director Recommendation Committee, Related Party Transactions Committee, Sustainability Committee	5 June 1967
	Je-Yoon Shin	Independent Director	Independent Director Recommendation Committee, Compensation Committee, Sustainability Committee	25 March 1958
	Hye-Kyung Cho	Independent Director	Audit Committee, Sustainability Committee	16 July 1964
Executive Directors	Jong-Hee Han	Vice Chairman & CEO	Vice Chairman & CEO	15 March 1962
	Tae-Moon Roh	President & Head of MX	President & Head, Mobile eXperience	3 September 1968
	Jung-Bae Lee	President & Head of Memory	President & Head, Memory	27 February 1967

For information on the Company's Board of Directors as of the date hereof, see pages:

- 163-164 and 170-171 of the 2024 HY Report and ("*VI. Corporate Governance—1. Board of Directors—A. Overview*" and "*—D. Director independence—(1) Appointment of Directors*"); and
- 150-151 of the Q3 2024 Report ("*VIII. Executives and Employees—1. Executives and employees*").

Hark-Kyu Park resigned from his role as a Director and Chief Financial Officer of the DX Division, effective 26 December 2024. He will no longer sit on the Management Committee.

The Company has not entered into any service contracts with members of its administrative, management or supervisory bodies which provide for benefits upon termination of employment.

2. EMPLOYEES

For information on the Company's employees and executives, see pages:

- 284-287 of the 2023 Annual Report ("*VIII. Executives and Employees—1. Executives and employees*"); and
- 150-151 of the Q3 2024 Report ("*VIII. Executives and Employees—1. Executives and employees*").

3. CORPORATE GOVERNANCE

For general information on the Company's corporate governance, see pages 163-182 of the 2024 HY Report ("*VI. Corporate Governance*"). The Company operates its business in compliance with the Korean Commercial Code, which stipulates the applicable corporate governance framework.

3.1 Board Committees

The Company has established a Management Committee, a Related Party Transactions Committee, a Compensation Committee, an Independent Director Recommendation Committee and a Sustainability Committee. For a description of these committees, including their composition and responsibilities, see pages 165-174 of the 2024 HY Report ("*VI. Corporate Governance—1. Board Committees—C. Committees" and "—D. Director independence*").

As of 31 December 2023, the Company also operates an Audit Committee consisting of three independent directors. For a description of the committee's members, independence and responsibilities, see pages 174-179 of the 2024 HY Report ("*VI. Corporate Governance—2. Audit System*").

Hark-Kyu Park resigned from his role as a Director and Chief Financial Officer of the DX Division, effective 26 December 2024. He will no longer sit on the Management Committee.

4. REMUNERATION AND BENEFITS

For details relating to remuneration, see pages 192-201 of the 2024 HY Report ("*VIII. Executives and Employees—2. Remuneration for Directors*").

5. CONFLICTS

There are no potential or actual conflicts of interest between any duties owed by our Directors or senior management and their private interests or other duties, or any other conflicting interests which are material in connection with the Admission.

PART VIII
OPERATING AND FINANCIAL REVIEW

1. PRESENTATION OF FINANCIAL INFORMATION

The Company's financial statements have been prepared in accordance with Korean International Financial Reporting Standards ("**Korean IFRS**" or "**K-IFRS**"). Korean IFRS refers to standards selected by the Republic of Korea among accounting standards and interpretations published by International Accounting Standards Board (IASB). The Company's financial statements prepared in accordance with Korean IFRS comply with International Financial Reporting Standards in accordance with IAS 1 Presentation of Financial Statements.

Korean IFRS permits application of material accounting estimates on the financial statements and requires management's judgements in applying accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are material to the financial statements are disclosed under:

- Note 3 to the 2023 Financial Statements ("*Notes to the Consolidated Financial Statements—3. Material Accounting Estimates and Assumptions*"); and

- Note 3 to the 2022 Financial Statements ("*Notes to the Consolidated Financial Statements—3. Critical Accounting Estimates and Assumptions*").

The Company applied certain amendments to Korean IFRS for the first time for the annual reporting period commencing on 1 January 2023. For information on changes in the Company's accounting policies, see Note 2.2 to the 2023 Financial Statements ("*Notes to the Consolidated Financial Statements—2.2. Changes in Accounting Policies and Disclosures*").

2. HISTORICAL FINANCIAL INFORMATION

For the audited consolidated financial statements of the Company for the year ended 31 December 2021, including the unqualified independent auditor's report related thereto, please see the 2022 Financial Statements.

For the audited consolidated financial statements of the Company for the years ended 31 December 2022 and 2023, including the unqualified independent auditor's report related thereto, please see the 2023 Financial Statements.

For the unaudited consolidated interim financial statements of the Company for the nine months ended 30 September 2023 and 2024, please see pages 29-85 of the Q3 2024 Report ("*III. Financial Affairs*").

For ease of reference, please see the cross-reference table below:

2022 Financial Statements*	
Independent Auditors' Report	Page 1
Consolidated Statements of Financial Position	Page 5
Consolidated Statements of Profit or Loss	Page 8

* Page 1 of the 2022 Financial Statements indicates that the financial information contained therein is interim financial information. This is a typographical error. The 2022 Financial Statements contain audited full year financial information for the financial years ending 31 December 2021 and 2022.

The Company has released some limited summary financial information for the three months ended 31 December 2024, contained in the Q4 2024 Earnings Release.

3. FINANCIAL CONDITION AND OPERATING RESULTS

3.1 The year ended 31 December 2022 compared to the year ended 31 December 2021

For details of the Company's financial condition and operating results for the year ended 31 December 2022 compared to the year ended 31 December 2021, including trend information and significant factors affecting the Company's performance, see pages 240-255 of the 2022 Annual Report ("*IV. Management Discussion and Analysis*").

3.2 The year ended 31 December 2023 compared to the year ended 31 December 2022

For details of the Company's financial condition and operating results for the year ended 31 December 2023 compared to the year ended 31 December 2022, including trend information and significant factors affecting the Company's performance, see pages 226-241 of the 2023 Annual Report ("*IV. Management Discussion and Analysis*").

3.3 The nine months ended 30 September 2024 compared to the nine months ended 30 September 2023 and the year ended 31 December 2023

(A) Overview

In 3Q24, the Company posted total revenue of KRW 225 trillion and an operating profit of KRW 26 trillion on a consolidated basis; and total revenue of KRW 161 trillion and an operating profit of KRW 14 trillion on a separate basis.

Our financial structure remained sound—we recorded a debt ratio of 27.2%, capital adequacy ratio of 78.6%, and return on equity of 7.1% on a consolidated basis. On a standalone basis, the respective figures were 34.7%, 74.2%, and 9.7%. Our brand value in 2024 was evaluated at USD 91.4 billion (*Interbrand*; October 2024), up 10% from last year's figure and maintaining our position as the world's fifth most valuable brand.

On the business side, we further solidified our market power and industry leadership by launching the S24 series, Galaxy Z Fold6 and Z Flip6 while strengthening our lineup of Neo QLED TVs and bespoke products; and we further enhanced the profitability and cost competitiveness of the component business based on our capabilities in core technologies, which enable the expansion of HBM, DDR5, LPDDR5x, and other high-value-added products.

In 2024, global economic uncertainties are likely to remain high, while intensifying competition for our main products, and a rapidly changing paradigm in the IT industry will present numerous hurdles. However, we will leverage such challenges as opportunities and devote all our energy—via relentless innovations and thorough preparations—to improve our earnings and ensure swift responses to future opportunities.

(B) Financial position and performance (consolidated)

(i) Financial position

(KRW, millions, presented in accordance with K-IFRS)

Classification	2024 3Q	2023 FY	Increase/ decrease	Change
Current assets	219,235,111	195,936,557	23,298,554	11.9%
Cash and cash equivalents	43,131,359	69,080,893	△25,949,534	△37.6%
Short-term financial instruments	60,616,598	22,690,924	37,925,674	167.1%
Other current financial assets	28,571	635,393	△606,822	△95.5%
Trade and other receivables	44,692,044	36,647,393	8,044,651	22.0%
Inventories	53,356,759	51,625,874	1,730,885	3.4%
Other current assets	17,409,780	15,256,080	2,153,700	14.1%
Non-current assets	272,072,206	259,969,423	12,102,783	4.7%

Other non-current financial assets	10,826,180	8,912,691	1,913,489	21.5%
Associates and joint ventures	12,235,974	11,767,444	468,530	4.0%
Property, plant and equipment	195,028,773	187,256,262	7,772,511	4.2%
Intangible assets	23,077,457	22,741,862	335,595	1.5%
Other non-current assets	30,903,822	29,291,164	1,612,658	5.5%
Total assets	**491,307,317**	**455,905,980**	**35,401,337**	**7.8%**
Current liabilities	87,031,889	75,719,452	11,312,437	14.9%
Non-current liabilities	17,994,065	16,508,663	1,485,402	9.0%
Total liabilities	**105,025,954**	**92,228,115**	**12,797,839**	**13.9%**
Equity attributable to owners of the parent	376,152,198	353,233,775	22,918,423	6.5%
Non-controlling interest	10,129,165	10,444,090	△314,925	△3.0%
Total equity	**386,281,363**	**363,677,865**	**22,603,498**	**6.2%**
Total liabilities and equity	**491,307,317**	**455,905,980**	**35,401,337**	**7.8%**
Capital adequacy ratio	78.6%	79.8%	-1.2%p	
Debt-to-equity ratio	27.2%	25.4%	1.8%p	
Inventory turnover	10.6	4.1	6.5	

※ Financial statements in the 2024 Q3 Report were reviewed by the external auditor. The symbol '△' indicates a negative change.

The Company's total assets in 3Q24 were KRW 491.3073 trillion, an increase of KRW 35.4013 trillion (7.8%) from FY2023. The increase is mainly attributable to cash and cash equivalents, which increased by KRW 37.9257 trillion, and to an increase in tangible assets caused by facility investments worth KRW 7.7725 trillion for the semiconductor and DP businesses.

Total liabilities were KRW 105.0260 trillion, an increase of KRW 12.7978 trillion (13.9%) from FY2023. This includes an increase of KRW 11.3124 trillion (14.9%) in current liabilities and an increase of KRW 1.4854 trillion (9.0%) in non-current liabilities. The changes are attributable to a KRW 3.9205 trillion increase in short-term borrowings and KRW 2.9386 trillion increase in accrued expenses.

Total equity in 3Q24 was KRW 386.2814 trillion, an increase of KRW 22.6035 trillion (6.2%) from FY2023. Retained earnings grew by KRW 18.7073 trillion year-on-year from net income of KRW 26.0452 trillion and dividends of KRW 7.3573 trillion. Other components of equity increased by KRW 4.2112 trillion due to factors such as the overseas operations translation difference.

In terms of financial ratios, the Company maintained a sound financial structure as the capital adequacy ratio increased by 1.2% from FY2023 to 78.6% and the debt-to-equity ratio increased by 1.8% from FY2023 to 27.2%.

(ii) **Performance**

(KRW, millions, presented in accordance with K-IFRS)

Classification	2024 3Q	2023 3Q	Increase/ decrease	Change
Sales	225,082,634	191,155,556	33,927,078	17.7%
Cost of sales	139,293,441	134,273,009	5,020,432	3.7%
Gross profit	85,789,193	56,882,547	28,906,646	50.8%
Selling and administrative expenses	59,555,935	53,140,288	6,415,647	12.1%
Operating profit	26,233,258	3,742,259	22,490,999	601.0%
Other income	1,476,696	949,823	526,873	55.5%
Other expenses	1,179,941	579,442	600,499	103.6%
Gain on valuation using the equity method of accounting	596,758	676,459	△79,701	△11.8%
Financial income	10,688,757	12,797,135	△2,108,378	△16.5%
Financial expenses	8,193,049	10,104,258	△1,911,209	△18.9%
Income before income tax expense	29,622,479	7,481,976	22,140,503	295.9%
Income tax expense	2,925,522	△1,660,366	4,585,888	△276.2%
Net income	26,696,957	9,142,342	17,554,615	192.0%
Equity attributable to owners of the parent	26,045,230	8,449,574	17,595,656	208.2%
Non-controlling interests	651,727	692,768	△41,041	△5.9%

※ Financial statements in the 2024 Q3 Report were reviewed by the external auditor. The symbol '△' indicates a negative change.

In 3Q24, revenue increased year-on-year by KRW 33.9271 trillion (17.7%) to KRW 225.0826 trillion due to recovery in component businesses, including memory. Operating profit increased year-on-year by KRW 22.4910 (601.0%) to KRW 26.2333 trillion. Income before income taxes increased year-on-year by KRW 22.1405 trillion (295.9%) to KRW 29.6225 trillion, and net income increased by KRW 17.5546 trillion (192.0%) to KRW 26.6970 trillion.

We continued to maintain a sound financial structure, highlighted by a year-on-year increase in return on equity of 4.6% to 7.1%, and an increase in net profit ratio of 7.1% to 11.9%.

In 3Q24, the Company recorded total revenue of KRW 225,082.6 billion, an increase of 17.7% year-on-year. By organization, when compared to the same period last year, revenue increased by a respective 3.0% and 80.3% in the DX Division and DS Division; and decreased by a respective 1.3% and 1.1% in SDC and Harman.

(a) ***Performance by division***

Revenue (*KRW, millions, presented in accordance with K-IFRS*)

Division	2024 3Q		2023 3Q		Change	
	Amount	Share	Amount	Share	Amount	(%)
DX Division	134,357,477	59.7%	130,444,087	68.2%	3,913,390	3.0%
DS Division	80,965,214	36.0%	44,902,120	23.5%	36,063,094	80.3%
SDC	21,031,687	9.3%	21,315,797	11.2%	△284,110	△1.3%
Harman	10,348,923	4.6%	10,464,123	5.5%	△115,200	△1.1%
Overall revenue	225,082,634	100.0%	191,155,556	100.0%	33,927,078	17.7%

※ Includes inter-divisional transactions. The symbol '△' indicates a negative change.

Operating profit (*KRW, millions, presented in accordance with K-IFRS*)

Division	2024 3Q		2023 3Q		Change	
	Amount	Share	Amount	Share	Amount	(%)
DX Division	10,170,049	38.8%	11,766,221	314.4%	△1,596,172	△13.6%
DS Division	12,229,183	46.6%	△12,697,630	△339.3%	24,926,813	△196.3%
SDC	2,864,337	10.9%	3,554,250	95.0%	△689,913	△19.4%
Harman	916,271	3.5%	830,577	22.2%	85,694	10.3%
Overall operating profit	26,233,258	100.0%	3,742,259	100.0%	22,490,999	601.0%

※ Includes inter-divisional transactions. The symbol '△' indicates a negative change.

(DX Division)

The DX Division in 3Q24 saw its revenue increase year-on-year by KRW 3.9134 trillion (3.0%) to KRW 134.3575 trillion. However, operating profit decreased by KRW 1.5962 trillion (13.6%) to KRW 10.1700 trillion.

(DS Division)

The DS Division in 3Q24 saw its revenue increase year-on-year by KRW 36.0631 trillion (80.3%) to KRW 80.9652 trillion. Operating profit increased by KRW 24.9268 trillion (196.3%) to KRW 12.2292 trillion.

(SDC)

SDC's revenue in 3Q24 decreased by KRW 2.0841 trillion (1.3%) from the previous year to KRW 21.0317 trillion. Operating profit decreased by KRW 689.9 billion (6.5%) to KRW 2.8643 trillion.

(Harman)

Harman's revenue in 3Q24 decreased by KRW 0.1152 trillion (1.1%) year-on-year to KRW 10.3489 trillion; while its operating profit increased by KRW 85.7 billion (10.3%) to KRW 0.9163 trillion.

(C) ***Foreign exchange risk***

The Company operates internationally and is exposed to foreign exchange risks as it conducts transactions in currencies other than the functional currency. Major currencies that are exposed to foreign exchange risk include the U.S. dollar, and Euro, and others.

(*KRW, millions, presented in accordance with K-IFRS*)

Closing rate at period-end by currency

Currency	2024 3Q	2023 FY	Change	Change (%)
USD	1,319.60	1,289.40	30.20	2.3%
EUR	1,474.06	1,426.59	47.47	3.3%

The foreign currency exposure to financial assets and liabilities of a 5% currency rate change against the Korean won (before income tax) are presented below:

(*KRW, millions, presented in accordance with K-IFRS*)

Currency	2024 3Q		2023 FY	
	Increase	Decrease	Increase	Decrease
USD	474,656	△474,656	418,776	△418,776
EUR	165,119	△165,119	151,740	△151,740

(D) ***Recognition of asset impairment loss***

Recognised impairment gains or losses in 3Q24 reached KRW 344.8 billion for tangible assets.

3.4 The period beginning 1 October 2024 and ended as of the date hereof

The Company has released some limited summary financial information for the three months ended 31 December 2024, contained in pages 5, 6, 13 and 14 of the Q4 2024 Earnings Release.

Save as disclosed in the Q4 2024 Earnings Release, there are no other significant recent trends to be disclosed for the purposes of this Prospectus arising between 1 October 2024 and the date hereof.

4. LIQUIDITY AND CAPITAL RESOURCES

4.1 The year ended 31 December 2022 compared to the year ended 31 December 2021 and the year ended 31 December 2023 compared to the year ended 31 December 2022

For information on the Company's liquidity and capital resources, see pages:

- 251-253 of the 2022 Annual Report ("*IV. Management Discussion and Analysis—4. Liquidity, financing, and expenditure*"); and
- 237-239 of the 2023 Annual Report ("*IV. Management Discussion and Analysis—4. Liquidity, financing, and* expenditure").

For additional information on the Company's borrowings, see pages:

- 109 of the 2022 Annual Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—12. Borrowings*");
- 103 of the 2023 Annual Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—12. Borrowings*"); and

- 64 of the Q3 2024 Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—9. Borrowings*").

For more detail on the Company's investments, including joint ventures and undertakings, see pages:

- 98-104, 337 and 381-388 in the 2022 Annual Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—9. Investments in Associates and Joint Ventures", "IX. Affiliates and Subsidiaries—E. Equity investments in other corporations" and "XII. Appendix—3. Equity investments in other corporations (Details)*"); and

- 92-93, 318 and 360-367 in the 2023 Annual Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—9. Investments in Associates and Joint Ventures*", "IX. *Affiliates and Subsidiaries—E. Equity investments in other corporations*" and "*XII. Appendix—3. Equity investments in other corporations (Details)*").

4.2 The nine months ended 30 September 2024 compared to the nine months ended 30 September 2023 and the year ended 31 December 2023

The Company has ample liquidity, and as of 30 September 2024 its cash coverage (liquid funds/borrowings) was 613% compared to 728% as of 31 December 2023.

(A) Current status of liquidity

(KRW, millions, presented in accordance with K-IFRS)

Classification	2024 3Q	2023 FY	Increase/ decrease	Change
Liquid funds:				
Cash and cash equivalents	43,131,359	69,080,893		△25,949,534
Short-term financial instruments	60,616,598	22,690,924		37,925,674
Short-term financial assets at amortised cost	-	608,281		△608,281
Financial assets at fair value through profit or loss	28,571	27,112		1,459
Total financial assets	103,776,528	92,407,210		11,369,318
Borrowings:				
Short-term borrowings	11,035,119	7,114,601		3,920,518
Current portion of long-term liabilities	2,111,782	1,308,875		802,907
Debentures	19,537	537,618		△518,081
Long-term borrowings	3,765,437	3,724,850		40,587
Total financial liabilities	16,931,875	12,685,944		4,245,931
Net Cash (liquid funds - borrowings)	86,844,653	79,721,266		7,123,387

※ Financial statements in the 2024 Q3 Report were reviewed by the external auditor. The symbol '△' indicates a negative change.

(B) *Financing and expenditures*

As of 30 September 2024, the Company's borrowings (including debentures) are presented below:

(KRW, millions, presented in accordance with K-IFRS)

Classification	Creditors	Annual interest rate	Amount	
		2024 3Q	2024 3Q	2023 FY
Short-term borrowings:				
Collateralized borrowings	Woori Bank, etc.	0.4~11.5%	10,763,366	6,610,049
Non-collateralized borrowings	CitiBank, etc.	0.0~48.5%	271,753	504,552
Total short-term borrowings			11,035,119	7,114,601
Liquid long-term borrowings:				
Bank borrowings	BNP etc.	0.0~55.3%	531,243	304,082
Capital lease liabilities	CSSD etc.	4.6%	1,051,626	998,439
Total liquid long-term borrowings			1,582,869	1,302,521
Long-term borrowings:				
Bank borrowings	BNP etc.	0.0~7.4%	6,829	-
Capital lease liabilities	CSSD etc.	4.6%	3,758,608	3,724,850
Total long-term borrowings			3,765,437	3,724,850

Classification	Issuance date	Maturity date	Annual interest rate	Amount	
			2024 3Q	2024 3Q	2023 FY
US$ denominated	1997.10.02	2027.10.01	7.7	19,794	25,788
Straight Bonds				(US$ 15,000 천)	(US$ 20,000 천)
US$ denominated	2015.05.11	2025.05.15	4.2	527,840	515,760
Debenture Bonds				(US$ 400,000 천)	(US$ 400,000 천)
Sub Total				547,634	541,548
Premium on bonds payable				△257	△370
Discount on bonds payable				1,073	2,794
Total				548,450	543,972
Deduction: Current debentures				△528,913	△6,354
Non-current debentures				19,537	537,618

4.3 The three month period ended 31 December 2024

The Company has released some limited information on its liquidity and capital resources for the period indicated above, contained in pages 13-14 of the Q4 2024 Earnings Release.

5. RECENT DEVELOPEMENTS

On 31 January 2025, the Company announced capital expenditure of approximately KRW 53.6 trillion for the financial year ended 31 December 2024, together with the following breakdown:

Purpose	To increase competitiveness of key businesses while positioning the company for future profitable growth.
Amount	Total capital expenditure: approximately KRW 53.6 trillion • **DS:** KRW 46.3 trillion • **SDC:** KRW 4.8 trillion
Details	• **DS:** Investments in advanced technology to meet demand for high-value-added products, the backend process with advanced packaging, and R&D, etc. • **SDC:** Investments in fabrication plants for mobile display, etc.
Expected effect	Strengthen business capabilities by solidifying technology leadership, primarily in the component business.

PART IX
CAPITALISATION AND INDEBTEDNESS

The tables below set forth the Company's consolidated capitalisation and indebtedness as of 31 December 2024. These tables should be read in conjunction with the 2024 Financial Statements, as well as the notes thereto, and with Part VIII (*Operating and Financial Review*) of this Prospectus.

1. CAPITALISATION

(*in millions of KRW*)	**As of 31 December 2024**
Total current debt	**93,326,299**
Current portion of long-term liabilities	2,207,290
Borrowings (short-term)	13,172,504
Others	77,946,505
Total non-current debt	**19,013,579**
Debentures	14,530
Borrowing (long-term)	3,935,860
Others	15,063,189
Total indebtedness	**112,339,878**
Share capital	897,514
Share premium reserve	4,403,893
Other reserves	396,890,663
Total capitalisation	**402,192,070**

As of the date of this Prospectus, there has been no material change in the capitalisation of the Company since 31 December 2024.

2. INDEBTEDNESS

	(*in millions of KRW*)	**As of 31 December 2024**
A	Cash and cash equivalents	53,705,579
B	Other current financial assets	58,946,211
C	**Liquidity (A + B)**	**112,651,790**
D	**Current financial receivable**	**53,246,047**
E	Current bank debt	13,172,504
F	Current portion of non-current debt	2,207,290
G	Other current financial debt	77,946,505

H	**Current financial indebtedness (E+F+G)**	**93,326,299**
I	**Net current financial indebtedness (H-D-C)**	**-72,571,538**
J	Non-current bank loans	3,935,860
K	Other non-current financial debt	9,567,264
L	Non-current trade and other payables	5,510,455
M	**Non-current financial indebtedness (J+ K+L)**	**19,013,579**
N	**Net financial indebtedness (I + M)**	**-53,557,959**

As of the date of this Prospectus, there has been no material change in the indebtedness of the Company since 31 December 2024.

PART X
SETTLEMENT AND TRANSFER

As of the date hereof, the NVP Shares underlying the GDRs are listed on the Korea Exchange and the GDRs are listed on the LuxSE. On 6 November 2024, the Company applied to cancel the listing of its GDRs on the LuxSE. On 25 November 2025, the LuxSE approved this application. It is expected that the LuxSE Delisting will take effect shortly following Admission, and, in any event, no later than 31 March 2025.

This Prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. No offer of Samsung GDRs is being made in any jurisdiction.

DTC has accepted the GDSs in its book-entry settlement system. The Master GDR was previously issued to DTC and registered in the name of Cede & Co., as nominee of DTC. Therefore, Cede & Co. will be the holder of record of all of the GDSs. So long as the GDSs are settled in DTC's book-entry settlement system or unless otherwise required by law, ownership of beneficial interest in the Master GDR will be shown on, and the transfer of such ownership will be effected only through, records maintained by (i) DTC or its nominee or (ii) institutions that have accounts with DTC. Except as expressly provided in Part IV hereof, owners of beneficial interests in the Master GDR will not be entitled to receive a physical GDR evidencing such GDSs. Where the context requires, the term "GDR" includes the Master GDR.

Euroclear and Clearstream have accepted the GDSs for settlement in their systems on a book-entry basis. Euroclear and Clearstream will hold GDSs on behalf of their participants through their respective depositories which are participants in DTC. Transfers within DTC, Euroclear and Clearstream will be in accordance with the usual rules and operating procedures of the relevant system. Cross-market transfers between investors who hold or who will hold GDSs through DTC and investors who hold or who will hold GDSs through Euroclear and/or Clearstream will be effected in DTC through the respective depositories (i.e., DTC participant) of Euroclear and Clearstream.

If DTC ceases to make its book-entry settlement system available for the GDSs, the Company will consult with the Depositary regarding other arrangements for book-entry settlement. Only in the event that it is impracticable without undue effort or expense to continue to have the GDSs available in book-entry form, except as expressly provided in Part IV hereof, will the Company instruct the Depositary to make the GDRs available in physical, certificated form to all of the owners of beneficial interests in the Master GDR with such modifications to the form of GDRs and the Deposit Agreement as the Company and the Depositary may agree.

Each purchaser of the GDSs is deemed to have represented and agreed as follows:

(1) It understands that the GDRs, the GDSs and the NVP Shares underlying the GDSs have not been registered under the Securities Act, and that they may be offered, sold, pledged or otherwise transferred only (i) to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A under the Securities Act, (ii) pursuant to and in accordance with Regulation S under the Securities Act to a non-U.S. person as defined in Regulation S, (iii) pursuant to an effective registration statement under the Securities Act or (iv) if available, pursuant to an exemption from registration provided by Rule 144 under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States.

(2) It understands that the GDRs will bear a legend to the following effect unless otherwise agreed by the Company and the Holder thereof:

THIS RULE 144A GLOBAL DEPOSITARY RECEIPT, THE RULE 144A GLOBAL DEPOSITARY SHARES EVIDENCED HEREBY AND THE NON-VOTING CAPITAL SHARES OF SAMSUNG

ELECTRONICS CO., LTD., REPRESENTED THEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AND IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT TO A NON-U.S. PERSON AS DEFINED IN REGULATION S OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. EACH HOLDER, BY ITS ACCEPTANCE OF THIS GDR, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

In addition, each purchaser of GDSs that is a U.S. person will be deemed to have represented and agreed that it is a qualified institutional buyer as defined in Rule 144A, that it is aware that the sale to it is being made in reliance on Rule 144A and that it is acquiring the GDSs for its own account or for the account of a qualified institutional buyer.

At some future time it might be possible to sell the above securities in accordance with Rule 144 under the Securities Act, depending upon future events and circumstances which cannot be determined at this time. It is impossible to predict when (if ever) sales may be made in accordance with Rule 144, since subsequent deposits of NVP Shares, among other things, may prolong the holding period that must elapse before Rule 144 becomes available, and there can be no assurance that the Company will amend the Deposit Agreement to permit sales to persons other than qualified institutional buyers in Rule 144A transactions or non-U.S. persons in accordance with Regulation S.

The foregoing restrictions apply to offers, sales, pledges and transfers made at any time, whether or not the GDSs have previously been offered, sold, pledged or transferred outside the United States.

1. INFORMATION RELATING TO THE DEPOSITARY AND THE CUSTODIAN

The GDRs have been issued pursuant to a third amended and restated deposit agreement, dated as of 12 February 2009, as further amended on 30 May 2023, among Citibank, N.A., the Company, and the holders and beneficial owners of GDSs issued thereunder. The Depositary's office is located at 388 Greenwich Street, New York, New York, 10013, United States of America. The office of the custodian for the Depositary, Korea Securities Depository, is located at 23 Yeouinaru-ro 4-gil, Yeongdeungpo-gu, Seoul 07330, Korea.

PART XI
ADDITIONAL INFORMATION

1. RESPONSIBILITY STATEMENT

The members of the Board of Directors, whose names appear in Part VI (*Management, Employees and Corporate Governance)*, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the members of the Board of Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

2. INCORPORATION

The Company was incorporated as a limited company on 13 January 1969 under the laws of the Republic of Korea, with the name Samsung Electronics Industry Co., Ltd., and held an initial public offering on the Korean Stock Exchange on 11 June 1975. The Company changed its name to Samsung Electronics Co., Ltd. following a resolution passed at the Annual General Meeting of shareholders on 28 February 1984. The LEI number for the Company is 9884007ER46L6N7EI764. The Company operates in conformity with its Articles of Incorporation (as defined herein) and is subject to the laws of the Republic of Korea. The Company's website is https://www.samsung.com/. Information contained on the Company's website or the content of any website accessible from hyperlinks on the Company's website is not incorporated into and does not form part of this Prospectus, and information contained therein should not be relied upon.

3. SHARE CAPITAL

For information on the share capital of the Company, see pages 11-20 of the 2023 Annual Report ("*I. Corporate Overview—3. Changes in paid-in capital" and "—4. Stock information"*) and page 68 of the Q3 2024 Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—15. Share Capital*").

For a history of the Company's share capital for the period covered by the Historical Financial Information, see pages 60-63 of the 2023 Annual Report (*"III. Financial Affairs—2. Consolidated Financial Statements—D. Consolidated Statements of Changes in Equity"*) and pages 36-39 of the Q3 2024 Report (*"III. Financial Affairs—2. Consolidated Financial Statements—D. Consolidated Statements of Changes in Equity"*).

For information on put options effecting the share capital of the Company and its subsidiaries, see page 16 of the Q3 2024 Report ("*II. Businesses Overview—5. Risk management and derivative trading—C. Derivative instruments and put options*").

4. MARKET CAPITALISATION

The aggregate market value of all GDRs subject to Admission will exceed £30 million by a significant amount.

5. ARTICLES OF INCORPORATION

The objective of the Company is to engage in certain businesses as set out in Article 2 of the Articles of Incorporation of Samsung Electronics Co., Ltd. (the "**Articles of Incorporation**"). For further information on the Articles of Incorporation, including the Company's purpose and provisions on pre-emptive rights, see pages 273-274 of the 2023

Annual Report (*"VI. Corporate Governance—3. General meeting of shareholders—E. Stock affairs*") and pages 12-14 of the 2024 HY Report ("*I. Corporate Overview—4. Changes to Articles of Incorporation*").

6. TAXATION

6.1 UK Taxation

The following is a summary of certain aspects of the UK tax treatment of an investment in the GDRs. It is for general information only and is not an exhaustive analysis of all UK tax consequences of acquiring, holding or disposing of the GDRs. It does not constitute legal or tax advice. The comments set out below are based on current UK tax law as applied in England and Wales and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) as at the date of this Prospectus, and assume that the UK Finance Bill 2025 is enacted in the form it stands as at the date of this Prospectus, all of which are subject to change, possibly with retrospective effect.

The following comments are intended as a general guide and, except where expressly stated otherwise, apply only to holders of the GDRs who: (i) are: (x) resident and, in the case of an individual, domiciled or (from 6 April 2025) "long-term resident", for tax purposes in the UK and to whom "split year" treatment does not apply; or (y) hold GDRs through a permanent establishment or branch within the UK; (ii) do not have a permanent establishment or fixed base outside the UK with which the holding of the GDRs (and dividends paid in respect of the GDRs) is connected; (iii) hold GDRs as an investment (other than under an Individual Savings Account (including Lifetime ISAs) or a Self-investment Personal Pension); and (iv) are, or are treated as, the absolute beneficial owners thereof. For the avoidance of doubt, the following comments do not apply to holders of the GDRs who are temporarily non-resident in the UK.

Certain categories of holders of GDRs, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with the Company or Group and those for whom the GDRs are employment related securities, may be subject to special rules and this summary does not apply to such holders. This summary also does not apply to any holder of GDRs who, alone or with certain associated persons, is (or has been) interested or treated as interested in more than 5% of the ordinary share capital of the Company.

Each investor's specific circumstances will impact on their UK taxation position, and all investors are recommended to obtain their own bespoke taxation advice. Holders of GDRs and prospective holders of GDRs who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers immediately.

This summary assumes that: (a) the GDRs, the GDSs and the underlying NVP Shares are not registered in a register kept in the UK by or on behalf of the Company; (b) the GDRs, the GDSs and the underlying NVP Shares are not paired with shares issued by a company incorporated in the UK; (c) the underlying NVP Shares will not be held by, and the GDRs and GDSs will not be issued by, a depositary (or nominee or agent for a depositary) incorporated in the UK or acting from an office within the UK; (d) dividends paid in respect of the underlying NVP Shares will be treated as income distributions for UK tax purposes; and (e) the holders of GDRs are the absolute beneficial owners of the underlying NVP Shares and of any dividends paid in respect thereof for UK tax purposes.

(A) Taxation of the Company

The board of directors intend to conduct the affairs of the Company so that the Company does not become resident in the UK for taxation purposes or otherwise subject to UK corporation tax. The summary below is written on the basis that the Company is and remains resident for tax purposes solely in Korea.

(B) Taxation of Dividends

UK Withholding Tax

The Company will not be required to withhold amounts on account of UK tax at source when paying a dividend.

Holders of GDRs subject to UK Income Tax

Dividends received by a holder of GDRs subject to UK income tax will generally be subject to tax as dividend income. For UK resident individual holders, the first £500 (the "Dividend Allowance") of the gross amount of any UK and non-UK source dividend income and certain other distributions in respect of shares (including any dividends received in respect of the underlying NVP Shares) ("Dividend Income") received by such an individual in a tax year will be taxed at a nil rate (and so no income tax will be payable in respect of such amounts).

Where the total Dividend Income of such an individual exceeds the Dividend Allowance (such excess being referred to as the "Taxable Excess"), then the Taxable Excess will be subject to tax depending on the tax rate band or bands it falls within. The relevant tax rate band is determined by reference to the total income of a UK resident individual holder of GDRs charged to income tax (including the Dividend Income charged at a nil rate by virtue of the Dividend Allowance) less relevant reliefs and allowances (including the personal allowance of such individual). The Taxable Excess is treated as the top slice of that total income. So, on that basis:

- To the extent that the Taxable Excess falls below the basic rate limit, a UK resident individual holder of GDRs will be subject to tax on it at the dividend basic rate of 8.75%.

- To the extent that the Taxable Excess falls above the basic rate limit but below the higher rate limit, a UK resident individual holder of GDRs will be subject to tax on it at the dividend higher rate of 33.75%.

- To the extent that the Taxable Excess falls above the higher rate limit, a UK resident individual holder of GDRs will be subject to tax on it at the dividend additional rate of 39.35%.

The taxation of dividends received by trusts depends on the type of trust. Trustees should seek their own bespoke taxation advice.

Corporate Holders of GDRs

Holders of GDRs who are within the charge to corporation tax in respect of GDRs will be subject to corporation tax on any dividends paid by the Company unless (subject to special rules for such holders of GDRs that are small companies) the dividends fall within an exempt class and certain other conditions are met. The position of each holder of

GDRs will depend on its own individual circumstances, although it would normally be expected that the dividends paid by the Company would fall within an exempt class. If the conditions to fall within an exempt class are not met (or cease to be satisfied), or a holder of GDRs elects for an otherwise exempt dividend to be taxable, the holder of GDRs will be subject to UK corporation tax on dividends received from the Company at the rate of corporation tax applicable to that holder (the main rate is currently 25%).

Credit for Korean Tax

If Korean tax is withheld from dividends paid by the Company, credit may be given against UK tax on the same income subject to general rules regarding the calculation and availability of such credit, including a requirement to take all reasonable steps to minimise the amounts of Korean tax on such dividends, including claiming any available allowances and reliefs. Where a dividend paid by the Company is treated as exempt from UK corporation tax, a UK resident company will not be entitled to claim relief by way of credit in the UK in respect of any Korean tax paid by such holder, either directly or by deduction, in respect of that dividend.

(C) Taxation of Capital Gains

Holders of GDRs who are resident in the UK may, depending on their circumstances (including the availability of exemptions or reliefs), be liable to UK taxation on chargeable gains in respect of gains arising from a sale or other disposal (or deemed disposal) of GDRs.

Holders of GDRs subject to UK Capital Gains Tax

For a holder of GDRs subject to UK capital gains tax, a disposal (or deemed disposal) of the GDRs may give rise to a chargeable gain or an allowable loss for the purposes of UK capital gains tax. Upon the disposal or deemed disposal of the GDRs, and after all allowable deductions, a UK resident individual holder's taxable chargeable gains would, for the 2024/2025 tax year, generally be taxed at (i) 18% if the aggregate of the taxable chargeable gains and other taxable income for the year of that UK resident individual holder does not exceed the basic rate income tax limit; or (ii) 24%, where the aggregate of the taxable chargeable gains and other taxable income for the year of the relevant holder does exceed the basic rate income tax limit. A UK resident individual holder is entitled to realise an annual exempt amount of gains (£3,000 for the 2024/2025 tax year) without being liable to UK capital gains tax.

Corporate Holders of GDRs

For a holder of GDRs that is within the charge to UK corporation tax, a disposal (or deemed disposal) of the GDRs may give rise to a chargeable gain subject to UK corporation tax (currently at a main rate of 25%) or an allowable loss for the purposes of UK corporation tax.

(D) Stamp Duty and Stamp Duty Reserve Tax ("SDRT")

The following comments are intended as a general guide to the current UK stamp duty and SDRT position, and apply regardless of whether or not an investor is resident in the UK. Certain categories of person (including specified market intermediaries) are entitled to exemption from stamp duty and SDRT on purchases of securities in specified circumstances.

No UK stamp duty or SDRT will be payable on any dealings in the GDSs via DTC, Euroclear or Clearstream, where such dealings are effected in book-entry form in accordance with the procedures of DTC, Euroclear or Clearstream (as applicable) and not by written instrument of transfer. No SDRT will be payable in respect of any agreement to transfer the GDRs, the GDSs or the underlying NVP Shares, on the basis of the assumptions set out above in this summary.

Assuming that any document effecting a transfer of the GDRs, the GDSs or the underlying NVP Shares, or containing an agreement to transfer an equitable interest in the GDRs, the GDSs or the underlying NVP Shares is neither (i) executed in the UK, nor (ii) relates to any property situated, or to any matter or thing done or to be done, in the UK (the term "matter or thing done or to be done" is very wide and can cover the involvement of UK bank accounts in payment mechanics), then no UK stamp duty should be required to be paid on such document.

Even if a document effecting a transfer of the GDRs, the GDSs or the underlying NVP Shares, or containing an agreement to transfer an equitable interest in the GDRs, the GDSs or the underlying NVP Shares is (i) executed in the UK and/or (ii) relates to any property situated, or to any matter or thing done or to be done, in the UK, in practice it should not be necessary to pay any UK stamp duty on such document unless the document is required for any purpose in the UK. If it is necessary to pay UK stamp duty, it may also be necessary to pay interest and penalties.

(E) *Inheritance Tax*

The GDRs should be assets situated outside the UK for the purposes of UK inheritance tax provided the GDSs and the NVP Shares (and any other property represented by the GDRs) are situated outside the UK, the GDRs are not registered in any register kept in the UK and the Depositary (or any nominee or agent for the Depositary) remains a non-UK incorporated company acting from an office outside the UK. The GDSs and the NVP Shares are assets situated outside the United Kingdom for these purposes on the basis that they are not registered in any register kept in the UK.

A gift of such assets by, or the death of, an individual holder of such assets who is domiciled or is deemed to be domiciled in the UK may (subject to certain exemptions and reliefs) give rise to a liability to UK inheritance tax. With effect from 6 April 2025, this treatment will also apply to individual holders who are "long-term UK residents" (as defined in the Finance Bill 2025) regardless of their domicile status. Generally, UK inheritance tax is not chargeable on gifts to individuals if the transfer is made more than seven complete years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules apply to close companies and to trustees of certain settlements who hold GDRs that may bring them within the charge to inheritance tax.

6.2 Korean Taxation

The following is a summary of the principal Korean tax consequences to owners of the NVP Shares or GDSs, as the case may be, who are non-resident individuals or non-Korean corporations without a permanent establishment in Korea to which the relevant income is attributable or with which the relevant income is effectively connected ("**Non-resident Holders**"). The statements regarding Korean tax laws set forth below are based on the laws in force and as interpreted by the Korean taxation authorities as of the date hereof. This summary is not exhaustive of all possible tax considerations which may apply to a particular investor and potential investors are advised to satisfy themselves as to the overall tax consequences of the acquisition, ownership and disposition of the NVP Shares or GDSs, including specifically the tax consequences under Korean law, the laws of the jurisdiction of which they are resident, and any tax treaty between Korea and their country of residence, by consulting their own tax advisors.

(A) *Tax on Dividends*

Dividends on the NVP Shares or GDSs paid (whether in cash or in shares) to a Non-resident Holder will be subject to Korean withholding taxes at the rate of 22.0% (including local income tax) or such lower rate as is applicable under a treaty between Korea and such Non-resident Holder's country of tax residence. Free distributions of shares representing a capitalization of certain capital surplus reserves may be subject to Korean withholding taxes.

The tax is withheld by the payer of the dividend. While it is the payer that is required to withhold the tax, Korean law generally entitles the person who was subject to the withholding of Korean tax to recover from the Government any part of the Korean tax withheld upon providing evidence that it was entitled to have tax withheld at a lower rate if certain conditions are met.

(B) *Tax on Capital Gains*

As a general rule, capital gains earned by Non-resident Holders upon transfer of shares are subject to Korean withholding tax at the lower of (1) 11.0% (including local income tax) of the gross proceeds realized or (2) 22.0% (including local income tax) of the net realized gains (subject to the production of satisfactory evidence of the acquisition costs and certain direct transaction costs), unless exempt from Korean income taxation under the effective Korean tax treaty with the Non-resident Holder's country of tax residence.

However, a Non-resident Holder will not be subject to Korean income taxation on capital gains realized upon the sale of shares through the KRX KOSPI Market if the Non-resident Holder (1) has no permanent establishment in Korea and (2) did not or has not owned (together with any shares owned by any entity with a certain special relationship with such Non-resident Holder) 25.0% or more of the total issued and outstanding shares of the relevant company at any time during the calendar year in which the sale occurs and during the five calendar years prior to the calendar year in which the sale occurs.

It should be noted that capital gains earned by you (regardless of whether you have a permanent establishment in Korea) from a transfer of GDSs outside Korea will generally be exempt from Korean income taxation, provided that the GDSs are deemed to have been issued overseas. If and when an owner of the underlying NVP Shares transfers GDSs following a conversion of the underlying NVP Shares for GDSs, such person will not be exempt from Korean income taxation.

(C) *Inheritance Tax and Gift Tax*

Korean inheritance tax is imposed upon (1) all assets (wherever located) of the deceased if at the time of his death he was a tax resident of Korea and (2) all property located in Korea which passes on death (irrespective of the domicile of the deceased). Gift tax is imposed in similar circumstances to the above. The taxes are imposed if the value of the relevant property is above a certain limit and vary depending on the value of the property and the identity of the parties involved.

Under Korean inheritance and gift tax laws, securities issued by a Korean corporation are deemed to be located in Korea irrespective of where they are physically located or by whom they are owned.

(D) *Securities Transaction Tax*

Securities transaction tax is imposed on the transfer of shares issued by a Korean corporation or the right to subscribe for such shares generally at the rate of 0.35% of the sales price. In the case of the transfer of shares listed on the KRX KOSPI Market (such as our NVP Shares), the securities transaction tax is imposed generally at the rate of (1) 0.15% of the sales price of such shares (including agricultural and fishery special surtax thereon) if traded on the KRX KOSPI Market or (2) subject to certain exceptions, 0.35% of the sales price of such shares if traded outside the KRX KOSPI Market.

Securities transaction tax or the agricultural and fishery special surtax is not applicable if (1) the shares or rights to subscribe for shares are listed on a designated foreign stock exchange and (2) the sale of the shares takes place on such exchange.

Securities transaction tax, if applicable, must be paid by the transferor of the shares or rights, in principle. When the transfer is effected through a securities settlement company, such settlement company is generally required to withhold and pay (to the tax authority) the tax, and when such transfer is made through a financial investment company with a brokerage license only, such company is required to withhold and pay the tax. Where the transfer is effected by a Non-resident Holder without a permanent establishment in Korea, other than through a securities settlement company or a financial investment company with a brokerage license, the transferee is required to withhold the securities transaction tax. Failure to do so will result in the imposition of penalties equal to the sum of (1) between 10.0% to 60.0% of the tax amount due, depending on the nature of the improper reporting, and (2) 8.03% per annum on the tax amount due for the default period.

(E) *Tax Treaties*

Currently, Korea has income tax treaties with a number of countries, inter alia, Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Luxembourg, Ireland, the Netherlands, New Zealand, Norway, Singapore, Sweden, Switzerland, the United Kingdom and the United States under which the rate of withholding tax on dividend and interest is reduced, generally to between 5.0% and 16.5% (including local income tax), and the tax on capital gains derived by a non-resident from the transfer of securities issued by a Korean company is often eliminated.

Each Non-resident Holder of NVP Shares should inquire for itself whether it is entitled to the benefits of a tax treaty with Korea. It is the responsibility of the party claiming the benefits of a tax treaty in respect of interest, dividend, capital gains or "other income" to submit to us (or our agent), the purchaser or the financial investment company with a brokerage license, as the case may be, prior to or at the time of payment, such evidence of tax residence of the party claiming the treaty benefit as the Korean tax authorities may require in support of its claim for treaty protection. In the absence of sufficient proof, we (or our agent), the purchaser or the financial investment company with a brokerage license, as the case may be, must withhold tax at the normal rates.

Furthermore, in order for a non-resident of Korea to obtain the benefits of tax exemption on certain Korean source income (e.g., capital gains and interest) under an applicable tax treaty, Korean tax law requires such non-resident (or its agent) to submit to the payer of such Korean source income an application for a tax exemption along with a certificate of tax residency of such non-resident issued by a competent authority of the non-resident's country of tax residence, subject to certain exceptions. The payer of such Korean source income, in turn, is required to submit such application to the relevant district tax office by the ninth day of the month following the date of the first payment of such income.

For a non-resident of Korea to obtain the benefits of treaty-reduced tax rates on certain Korean source income (e.g., capital gains and interest) under an applicable tax treaty, Korean tax law requires such non-resident (or its agents) to submit to the payer of such

Korean source income an application for treaty-reduced tax rates prior to receipt of such Korean source income; provided, however, that an owner of GDSs who is a non-resident of Korea is not required to submit such application, if the Korean source income on the GDSs is paid through an account opened at the Korea Securities Depository by a foreign depository.

At present, Korea has not entered into any tax treaty relating to inheritance or gift tax.

6.3 United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations that are likely to be relevant to the purchase, ownership and disposition of our GDRs or NVP shares by a U.S. Holder (as defined below).

This summary is based on provisions of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), and regulations, rulings and judicial interpretations thereof, in force as of the date hereof and the United States – Republic of Korea Income Tax Convention (the "**Treaty**"). Those authorities may be changed at any time, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those summarised below.

This summary is not a comprehensive discussion of all of the tax considerations that may be relevant to a particular investor's decision to purchase, hold, or dispose of GDRs or NVP shares. In particular, this summary is directed only to U.S. Holders that hold GDRs or NVP shares as capital assets and does not address particular tax consequences that may be applicable to U.S. Holders who may be subject to special tax rules, such as banks, brokers or dealers in securities or currencies, traders in securities electing to mark to market, financial institutions, life insurance companies, tax-exempt entities, regulated investment companies, entities or arrangements that are treated as partnerships for U.S. federal income tax purposes (or partners therein), holders that own or are treated as owning 10% or more of our stock by vote or value, persons holding GDRs or NVP shares as part of a hedging or conversion transaction or a straddle, U.S. Holders that are engaged in a trade or business or have a permanent establishment in Korea or persons whose functional currency is not the U.S. dollar. Moreover, this summary does not address state, local or non-U.S. taxes, the U.S. federal estate and gift taxes, or the Medicare contribution tax applicable to net investment income of certain non-corporate U.S. Holders, or alternative minimum tax consequences of acquiring, holding or disposing of GDRs or NVP shares.

For purposes of this summary, a "U.S. Holder" is a beneficial owner of GDRs or NVP shares that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of such GDRs or NVP shares.

You should consult your own tax advisors about the consequences of the acquisition, ownership, and disposition of the shares, including the relevance to your particular situation of the considerations discussed below and any consequences arising under non-U.S., state, local or other tax laws.

GDRs evidence GDSs representing NVP shares of the Company. In general, a U.S. Holder of GDRs will be treated, for U.S. federal income tax purposes, as the beneficial owner of the underlying NVP shares that are represented by those GDRs. Deposits and withdrawals of NVP shares by U.S. Holders in exchange for GDRs will not result in the realization of gain or loss for U.S. federal income tax purposes.

(A) *Taxation of Dividends*

Subject to the discussion below under "—*Passive Foreign Investment Company Status*", the gross amount of any distribution of cash or property with respect to our GDRs or NVP Shares (including any amount withheld in respect of Korean taxes) that is paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will generally be includible in your taxable income as ordinary dividend income on the day on which you receive the dividend and will not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from U.S. domestic corporations under the Code.

We do not expect to maintain calculations of our earnings and profits in accordance with U.S. federal income tax principles. U.S. Holders therefore should expect that distributions generally will be treated as dividends for U.S. federal income tax purposes.

Dividends paid in a currency other than U.S. dollars generally will be includible in a U.S. Holder's income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the U.S. Holder receives the dividends, in the case of NVP Shares, or the date the depositary receives the dividends, in the case of GDRs. Any gain or loss on a subsequent sale, conversion or other disposition of such non-U.S. currency by such U.S. Holder generally will be treated as ordinary income or loss and generally will be income or loss from sources within the United States.

The U.S. dollar amount of dividends received by individuals and certain other non-corporate U.S. Holders with respect to the GDRs or NVP Shares will be subject to taxation at a preferential rate if the dividends are "qualified dividends." Subject to certain exceptions for short-term positions, dividends paid on the GDRs or NVP Shares will be treated as qualified dividends if:

- the shares are readily tradable on an established securities market in the United States or we are eligible for the benefits of a comprehensive tax treaty with the United States that the U.S. Treasury determines is satisfactory for purposes of this provision and that includes an exchange of information program; and

- we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a passive foreign investment company (a "**PFIC**").

The U.S. Treasury has determined that the Treaty meets the requirements for reduced rates of taxation, and we believe we are eligible for the benefits of the Treaty. Based on our financial statements and our current expectations regarding the value and nature of our assets, the sources and nature of our income, and relevant market and shareholder data, we do not believe that we were a PFIC for our 2024 taxable year, and do not anticipate becoming a PFIC for our 2025 taxable year or in the foreseeable future. Holders should consult their own tax advisors regarding the availability of the reduced dividend tax rate in light of their own particular circumstances.

Subject to generally applicable limitations and conditions, Korean dividend withholding tax paid at the appropriate rate applicable to the U.S. Holder may be eligible for a credit against such U.S. Holder's U.S. federal income tax liability. These generally applicable limitations and conditions include new requirements adopted by the U.S. Internal Revenue Service ("**IRS**") in regulations promulgated in December 2021 and any Korean tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. Holder. In the case of a U.S. Holder that consistently elects to apply a modified version of these rules under recently issued temporary guidance and complies with specific requirements set forth in such guidance, the Korean tax on dividends will be treated as meeting the new requirements and therefore as a creditable tax. In the case of all other U.S. Holders, the application of these requirements to the Korean tax on dividends is uncertain and we have not determined whether these requirements have been met. If the Korean dividend tax is not a creditable tax for a U.S. Holder or the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year, the U.S. Holder may be able to deduct the Korean tax in computing such U.S. Holder's taxable income for U.S. federal income tax purposes. Dividend distributions will constitute income from sources without the United States and, for U.S. Holders that elect to claim foreign tax credits, generally will constitute "passive category income" for foreign tax credit purposes.

The availability and calculation of foreign tax credits and deductions for foreign taxes depend on a U.S. Holder's particular circumstances and involve the application of complex rules to those circumstances. The temporary guidance discussed above also indicates that the Treasury and the IRS are considering proposing amendments to the December 2021 regulations and that the temporary guidance can be relied upon until additional guidance is issued that withdraws the temporary guidance. U.S. Holders should consult their own tax advisors regarding the application of these rules to their particular situations.

U.S. Holders that receive distributions of additional GDRs or NVP Shares or rights to subscribe for GDRs or NVP Shares as part of a pro rata distribution to all our shareholders generally will not be subject to U.S. federal income tax in respect of the distributions, unless the U.S. Holder has the right to receive cash or property instead, in which case the U.S. Holder will be treated as if it received cash equal to the fair market value of the distribution.

(B) *Taxation of Dispositions of GDRs or NVP Shares*

Subject to the discussion below under "*—Passive Foreign Investment Company Status*" upon a sale, exchange or other taxable disposition of the GDRs or NVP Shares, U.S. Holders will realise gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realised on the disposition and the U.S. Holder's adjusted tax basis in the GDRs or NVP Shares, as determined in U.S. dollars as discussed below. Such gain or loss will be capital gain or loss, and will generally be long-term capital gain or loss if the GDRs or NVP Shares have been held for more than one year. Long-term capital gain realised by a U.S. Holder that is an individual generally is subject to taxation at a preferential rate. The deductibility of capital losses is subject to limitations.

If a U.S. Holder sells or otherwise disposes of our GDRs or NVP Shares in exchange for currency other than U.S. dollars, the amount realised generally will be the U.S. dollar value of the currency received at the spot rate in effect on the date of sale or other disposition (or, if the GDRs or NVP Shares are traded on an established securities market at such time, in the case of cash basis and electing accrual basis U.S. Holders, the settlement date). An accrual basis U.S. Holder that does not elect to determine the amount realised using the spot exchange rate on the settlement date will recognise foreign currency gain or loss equal to the difference between the U.S. dollar value of the amount received based on the spot exchange rates in effect on the date of the sale or other disposition and the settlement date. A U.S. Holder generally will have a tax basis in the currency received equal to the U.S. dollar value of the currency received at the spot rate in effect on the settlement date. Any currency gain or loss realised on the settlement date or the subsequent sale, conversion, or other disposition of the non-U.S. currency received for a different U.S. dollar amount generally will be U.S.-source ordinary income or loss, and will not be eligible for the reduced tax rate applicable to long-term capital gains. If an accrual basis U.S. Holder makes the election described in the first sentence of this paragraph, it must be applied consistently from year to year and cannot be revoked without the consent of the IRS. A U.S. Holder should consult its own tax advisors regarding the treatment of any foreign currency gain or loss realised with respect to any currency received in a sale or other disposition of the GDRs or NVP Shares.

A U.S. Holder generally will not be entitled to credit any Korean tax imposed on the sale or other disposition of the GDRs or NVP Shares against such U.S. Holder’s U.S. federal income tax liability, except in the case of a U.S. Holder that consistently elects to apply a modified version of the U.S. foreign tax credit rules that is permitted under recently issued temporary guidance and complies with the specific requirements set forth in such guidance. Additionally, capital gain or loss recognised by a U.S. Holder on the sale or other disposition of the GDRs or NVP Shares generally will be U.S.-source gain or loss for U.S. foreign tax credit purposes. Consequently, even if the withholding tax qualifies as a creditable tax, a U.S. Holder may not be able to credit the tax against its U.S. federal income tax liability unless such credit can be applied (subject to generally applicable conditions and limitations) against tax due on other income treated as derived from foreign sources. If the Korean tax is not a creditable tax, the tax would reduce the amount realised on the sale or other disposition of the shares even if the U.S. Holder has elected to claim a foreign tax credit for other taxes in the same year. The temporary guidance discussed above also indicates that the Treasury and the IRS are considering proposing amendments to the December 2021 regulations and that the temporary guidance can be relied upon until additional guidance is issued that withdraws or modifies the temporary guidance. U.S. Holders should consult their own tax advisors regarding the application of the foreign tax credit rules to a sale or other disposition of the shares and any Korean tax imposed on such sale or disposition.

(C) *Passive Foreign Investment Company Status*

Special U.S. tax rules apply to investors in companies that are considered to be PFICs. We will be classified as a PFIC in a particular taxable year if, taking into account our proportionate share of the income and assets of our subsidiaries under applicable “look-through” rules, either:

- 75 percent or more of our gross income for the taxable year is passive income; or
- 50 percent or more of the value of our assets (generally determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income. In general, cash is considered a passive asset for these purposes.

Based on our financial statements and our expectations about the nature and amount of our income, assets and activities and the market value of our equity, we do not believe that we were a PFIC in 2024, and we do not expect to be a PFIC for our 2025 tax year or in the foreseeable future. However, the determination of whether we are a PFIC must be made annually after the close of each taxable year and based on the facts and circumstances at that time, and therefore subject to change. Accordingly, there can be no assurance that we will not be a PFIC for our 2025 taxable year or for future years. If we are a PFIC for any taxable year and any entity in which we own or are deemed to own equity interests is also a PFIC (a "**Lower-tier PFIC**"), a U.S. Holder will be deemed to own a proportionate amount (by value) of the shares of each Lower-tier PFIC and will be subject to U.S. federal income tax according to the rules described in the next paragraph on (i) certain distributions by the Lower-tier PFIC and (ii) dispositions of shares of the Lower-tier PFIC, in each case as if the U.S. Holder held such shares directly, even though you will not receive any proceeds of those distributions or dispositions.

If we are classified as a PFIC, and a U.S. Holder does not make a mark-to-market election as described below, the U.S. Holder will be subject to a special tax at ordinary income tax rates on "excess distributions" (generally, any distributions that a U.S. Holder receives in a taxable year that are greater than 125 percent of the average annual distributions that the U.S. Holder received in the preceding three taxable years, or their holding period, if shorter), and any gain recognised on the disposition of the holder's GDRs or NVP Shares. Under these rules, (a) the excess distribution or gain will be allocated ratably over the holder's holding period, (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which we are a PFIC will be taxed as ordinary income and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year, and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year.

If we are classified as a PFIC during any year in which a U.S. Holder holds our GDRs or NVP Shares, we will continue to be treated as a PFIC with respect to the U.S. Holder for all succeeding years during which the U.S. Holder holds the GDRs or NVP Shares, unless we cease to be a PFIC and the U.S. Holder makes certain "purging" elections with respect to the GDRs or NVP Shares.

U.S. Holders may be able to mitigate some of the unfavorable rules described in the preceding paragraph by electing to mark their shares to market, provided the shares are considered "marketable." The shares will be marketable if they are regularly traded on certain qualifying U.S. stock exchanges or on a foreign stock exchange that meets certain requirements. U.S. Holders should consult their own tax advisor regarding whether the LSE or the Korea Exchange, as applicable, meets those requirements. If a U.S. Holder makes this mark-to-market election, the holder will be required in any year in which we are a PFIC to include as ordinary income the excess of the fair market value of the holder's shares at the end of the holder's taxable year over the holder's basis in those shares. If at the end of the U.S. Holder's taxable year, the holder's basis in the shares exceeds their fair market value, the U.S. Holder will be entitled to deduct the excess as an ordinary loss, but only to the extent of the holder's net mark-to-market gains from previous years. A U.S. Holder's adjusted tax basis in the shares will be adjusted to reflect any income or loss recognised under these rules. In addition, any gain you recognise upon the sale of the U.S. Holder's shares will be taxed as ordinary income in the year of sale and any loss will be treated as an ordinary loss to the extent of the holder's net mark-to-market gains from previous years. Once made, the election cannot be revoked without the consent of the IRS unless the shares cease to be marketable. A mark-to-market election cannot be made with respect to any Lower-tier PFIC unless the shares of such Lower-tier PFIC are themselves "marketable." As a result, if a U.S. Holder makes a mark-to-market election with respect to the GDRs, the holder could nevertheless be subject to the PFIC rules described in the preceding paragraph with respect to the holder's indirect interest in any Lower-tier PFIC. Prospective investors should consult their own tax advisors regarding the availability and advisability of making a mark-to-market election in their particular circumstances if we are a PFIC for any taxable year.

A U.S. Holder that owns an equity interest in a PFIC generally must annually file IRS Form 8621, and may be required to file other IRS forms. A failure to file one or more of these forms as required may toll the running of the statute of limitations in respect of each of the holder's taxable years for which such form is required to be filed. As a result, the taxable years with respect to which a U.S. Holder fails to file the form may remain open to assessment by the IRS indefinitely, until the form is filed.

Prospective investors should consult their own tax advisor regarding the potential application of the PFIC rules to their investment in our GDRs or NVP Shares.

(D) *Foreign Financial Asset Reporting*

Individual U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 on the last day of the taxable year or U.S.$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors are encouraged to consult with their own tax advisors regarding the possible application of these rules, including the application of the rules to their particular circumstances.

(E) *Backup Withholding and Information Reporting*

Payments of dividends on, and proceeds from the sale or other disposition of, the GDRs or NVP Shares to a U.S. Holder that are made in the United States or through certain U.S.-related financial intermediaries generally may be subject to the information reporting requirements of the Code and may be subject to backup withholding unless the U.S. Holder provides an accurate taxpayer identification number and makes any other required certification or otherwise establishes an exemption. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a refund or credit against the U.S. Holder's U.S. federal income tax liability, provided the required information is furnished to the IRS in a timely manner.

7. RELATED PARTY TRANSACTIONS

For details of related party transactions that the issuer has entered into during the period covered by the historical financial information, see pages 130-132 and 319-322 of the 2023 Annual Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—30. Related Party Transactions*" and "*X. Transactions with Affiliates and Subsidiaries*") and pages 83-85 and 152-154 of the Q3 2024 Report ("*III. Financial Affairs—3. Notes to the Consolidated Financial Statements—27. Related Party Transactions*" and "*X. Transactions with Affiliates and Subsidiaries*").

8. REGULATION

Under the Korean Financial Investment Services and Capital Markets Act, a person who intends to make a purchase i) of 5% or more of the shares of a company ii) from 10 or more persons outside the securities market iii) within a 6 month period, is required to make a tender offer. Currently, the National Assembly of Korea discusses mandatory tender offers in change-of-control acquisitions of publicly listed companies on the Korea Exchange. This will mandate a buyer, when becoming the largest shareholder of a publicly listed target company with a 25% or greater shareholding, to initiate a tender offer to acquire a minimum of a 50(+1)% shareholding of the total issued and outstanding share capital of the publicly listed target company at a tender offer price equal to the price per share offered in the share purchase and sale to become the largest shareholder.

As to appraisal rights, under the Korean Commercial Act, if a merger is adopted at a general shareholders' meeting, any dissenting shareholders may invoke their statutory right to mandate the company to purchase their shares.

Korean law provides for "squeeze-out" rights for shareholders holding 95% or more of the shares of a company if it is established that the squeeze-out is "necessary" to accomplish the company's specific "business purpose." Under Korean laws, there is no defence against a hostile takeover such as 'poison pills' and 'golden parachutes'.

For a discussion of the regulatory environment that the Company operates in and that may materially affect its business, see "*—Risk Factors—Risks Relating to Law and Regulation"* above and Part XI below.

For further information on the environmental regulations impacting the Company, see pages 20-21 of the Q3 2024 Report ("*II. Businesses Overview—7. Other information—B. Environmental regulations*").

9. LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the period covering the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company's financial position or profitability.

10. MATERIAL CONTRACTS

Please see below for information on the Company's material contracts:

Counterparty	Contract Information	Contents
Google	*Type*	Patent cross-license agreement
	Date	January 25, 2014
	Purpose	Secure business flexibility through mutual patent licensing
	Content	The Company and Google Inc. furthered their long-term cooperative partnership with a global patent cross-license agreement covering a broad range of technologies and business areas. The mutually beneficial agreement covers the parties' existing patents as well as those to be filed over the next 10 years. Through this agreement, the parties gain access to each other's large scale patent portfolios, paving the way for deeper collaboration on research and development of current and future products and technologies.
GlobalFoundries Inc.	*Type*	Process technology license agreement
	Date	February 28, 2014
	Purpose	Expand customer base of 14 nanometer process
	Content	The Company and GlobalFoundries (GF) entered into a new strategic collaboration to deliver global capacity for 14 nanometer (nm) FinFET process technology. Through this contract, industry leading 14nm FinFET technology (developed by the Company and licensed to GF), was made available at both Samsung and GF facilities, giving customers supply chain security. The collaboration leverages the Company's global semiconductor manufacturing capabilities, and aims to capitalize on its technological advancements while offsetting development costs through royalties received from licensed partners.
Google	*Type*	European Mobile Application Distribution Agreement
	Date	Feb 27, 2019–Dec 31, 2024 (extended)
	Purpose	Licensing agreement for using Google apps (Play Store, YouTube, etc.) in 32 European countries (EEA)
	Content	This agreement covers a license for Google Play and other Google applications preloaded on Samsung smartphones and tablets sold in UK and European countries. This is a standard license agreement for Google applications documenting the licensee's obligation to pay the corresponding license fees.
Ericsson	*Type*	Patent cross-license agreement
	Date	May 7, 2021

	Purpose	Secure business flexibility through mutual patent licensing
	Content	Through this contract, the parties reached a multi-year agreement on global patent licenses, including patents relating to all cellular technologies. The cross-license agreement covers sales of network infrastructure and handsets from 1 January 2021. The parties have agreed on technology cooperation projects to advance the mobile industry through open standardization. In particular, this agreement allows the Company to avoid the risks associated with these patents for its mobile products, thereby securing greater flexibility to operate within its core business.
Qualcomm	*Type*	Patent cross-license agreement; extension of licensing agreement
	Date	6 July 2022
	Purpose	Secure business flexibility through mutual patent licensing and signing of covenant not to sue
	Content	This agreement strengthens the strategic partnership between Qualcomm Incorporated and the Company. The parties have agreed to extend their patent license agreement for 3G, 4G, 5G and upcoming 6G mobile technology through to the end of 2030. Qualcomm Technologies, Inc., a subsidiary of Qualcomm Incorporated, and the Company also agreed to expand their collaboration with Snapdragon® platforms for future premium Samsung Galaxy products, including smartphones, PCs, tablets, extended reality, and others.
Huawei	*Type*	Patent cross-license agreement
	Date	13 July 2022
	Purpose	Secure business flexibility through mutual patent licensing
	Content	Huawei is a top-tier global communication-standard patent holder in areas like 4G and 5G. This agreement allows the Company to avoid the risks associated with these patents for its mobile products, thereby securing greater flexibility to operate within its core business.
Nokia	*Type*	Patent cross-license agreement
	Date	19 January 2023
	Purpose	Secure business flexibility through mutual patent licensing
	Content	The Company entered into a new cross-license patent agreement with Nokia following the expiry of the previous agreement at the end of 2022. Under the agreement, which covers Nokia's fundamental inventions in 5G and other technologies, Samsung will

		make payments to Nokia for a multi-year period beginning 1 January 2023. The agreement gives both companies the freedom to innovate, and reflects the strength of each party's patent portfolio and R&D investments.

In addition, on 21 December 2024, the Company announced the signing of a Direct Funding Agreement with the U.S. Department of Commerce for semiconductor subsidies of up to U.S.$4.745 billion under the CHIPS Act. This funding will support the Company's planned investment over the coming years of approximately U.S.$37 billion on new semiconductor facilities, with operations tentatively set to commence in 2026. The Company plans to expand its capacity for production of semiconductors through this investment to address growing demands for cutting-edge system semiconductors as well as to contribute to the stabilization of the global semiconductor supply chain.

Save as disclosed above, no other material contracts or investments have been entered into between the date of the Q3 2024 Report and the date of this Prospectus.

11. MAJOR SHAREHOLDER(S)

As of the date of this Prospectus, the major shareholder of the Company is Samsung Life Insurance Co., Ltd. ("**Samsung Life Insurance**"). Samsung C&T Corporation ("**Samsung C&T**") is the major shareholder of Samsung Life Insurance.

The following table sets forth information regarding the persons or entities known by the Company to own more than 5% voting rights in the Company as of the date hereof:

Name	Number of Shares Owned	%
Samsung Life Insurance	513,582,872	8.60
National Pension Service	426,513,027	7.14
BlackRock Fund Advisors	300,391,061	5.03
Samsung C&T	298,818,100	5.01

For further information on the Company's major shareholders, see pages:

- 147-150 of the Q3 2024 Report ("*VII. Information on Shareholders*"); and
- 187 of the 2024 HY Report ("*VII. Information on Shareholders*").

The voting rights of the Company's major shareholders are the same as the voting rights of the Company's other shareholders.

12. NO SIGNIFICANT CHANGE

There has been no significant change in the financial position or financial performance of the Group since 30 September 2024, being the date to which the latest historical financial information of the Group was published.

13. WORKING CAPITAL STATEMENT

In the opinion of the Company the working capital available to the Company is sufficient for its present requirements, that is for at least 12 months following the date of this Prospectus.

14. DIVIDENDS

For information on the Company's dividend policy, see pages 13-14 of the 2023 Annual Report ("*I. Corporate Overview—4. Stock information—C. Types of registered stock*") and pages 130-131 of the Q3 2024 Report ("*III. Financial Affairs—6. Dividends*").

On 31 January 2025, the Company announced that its Board of Directors approved a dividend plan for the fourth quarter of 2024, payable to the shareholders of record at the close of business on 31 December 2024, as follows:

1. Dividend per share (dividend yield)[1]
    a. Common shares: KRW 363 (0.7%)
    b. NVP Shares: KRW 364 (0.8%)
2. Total payout: KRW 2,454.3 billion.

15. AUDITORS

The auditor of the Company is KPMG. KPMG's registered office is located at Gangnam Finance Center, 152 Teheran-ro, Gangnam-gu, Seoul, 06236, Korea. KPMG is registered to carry out audit work by the Professional Oversight Board.

Deloitte audited the consolidated financial statements of the Company as of and for the year ended 31 December 2021. Deloitte Anjin LLC ("Deloitte") audited the consolidated financial statements of the Company as of and for the year ended 31 December 2021. Deloitte's registered office is located at One IFC, 10, Gukjegeumyung-ro, Yeongdeungpo-gu, Seoul, 07326, Korea. Deloitte is registered to carry out audit work by the Professional Oversight Board.

At the conclusion of Deloitte's contract, the Company's audit committee appointed KPMG as the Company's external auditor for a three year term from 2023 to 2025. KPMG audited the consolidated financial statements of the Company as of and for the years ended 31 December 2022 and 2023. For further information on the Company's audit history, see pages 242-248 of the 2023 Annual report ("*V. Auditor's Report*") and pages 141-146 of the Q3 2024 Report ("*V. Auditor's Report*").

16. ADVISORS

The Company's legal advisors as to English law are Cleary Gottlieb Steen & Hamilton LLP, whose registered address is 2 London Wall Place, London EC2Y 5AU, United Kingdom.

[1] Dividend yield is calculated by dividing dividend per share by the average stock price for the week prior to two days before the record date, based on KRX guidelines.

17. COST OF ADMISSION

The Company expects to incur approximately £1,250,000 in costs associated with Admission.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at *https://www.samsung.com/global/ir/* for a period of 12 months from the date of publication of this Prospectus:

- the Articles of Incorporation;
- the Q4 2024 Earnings Release;
- the Q3 2024 Report;
- the HY 2024 Report;
- the 2023 Annual Report;
- the 2023 Financial Statements;
- the 2022 Annual Report;
- the 2022 Financial Statements;
- the third amended and restated non-voting capital stock deposit agreement, dated as of 12 February 2009;
- the first amendment to the third amended and restated deposit agreement, dated as of 30 May 2023;
- this Prospectus.

For the purposes of Rule 3.2 of the Prospectus Regulation Rules, this Prospectus will be published in printed form and available free of charge, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 28 days from the date of publication of this Prospectus at *https://www.samsung.com/global/ir/*. In addition, the Prospectus will be published in electronic form and be available on the UK National Storage Mechanism at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

PART XII
KOREAN FOREIGN EXCHANGE CONTROLS AND SECURITIES REGUALTIONS

1. GENERAL

The Foreign Exchange Transaction Act and the Presidential Decree and regulations under such Act and Decree, collectively referred to as the Foreign Exchange Transaction Laws, regulate investment in Korean securities by non-residents and issuance of securities outside Korea by Korean companies. Non-residents may invest in Korean securities pursuant to the Foreign Exchange Transaction Laws. The Financial Services Commission (the "**FSC**") has also adopted, pursuant to its authority under the Financial Investment Services and Capital Markets Act (the "**FSCMA**"), regulations that restrict investment by foreigners in Korean securities and regulate issuance of securities outside Korea by Korean companies.

Subject to certain limitations, the Ministry of Economy and Finance (the "**MOEF**") has authority to take the following actions under the Foreign Exchange Transaction Laws:

- if the Korean Government deems it necessary on account of war, armed conflict, natural disaster or grave and sudden and significant changes in domestic or foreign economic circumstances or similar events or circumstances, the MOEF may temporarily suspend performance under any or all foreign exchange transactions, in whole or in part, to which the Foreign Exchange Transaction Laws apply (including suspension of payment and receipt of foreign exchange), impose an obligation to deposit, safe-keep or sell any means of payment to The Bank of Korea, a foreign exchange stabilisation fund, certain other governmental agencies or financial companies or impose an obligation on a resident that holds a claim against a non-resident to collect such claim to enable the recovery of the relevant debt back to Korea; and
- if the Korean Government concludes that the international balance of payments and international financial markets are experiencing or are likely to experience significant disruption or that the movement of capital between Korea and other countries are likely to adversely affect the Won, exchange rate or other macroeconomic policies, the MOEF may take action to require any person who intends to effect or effects a capital transaction to deposit a portion of the means of payment acquired in such transactions with The Bank of Korea, a foreign exchange stabilization fund, certain other governmental agencies or financial companies.

Under the regulations of the FSC, (1) if a company listed on the KRX KOSPI Market or a company listed on the KRX KOSDAQ Market has submitted a public disclosure of material matters to a foreign financial investment supervisory authority pursuant to the laws of the foreign jurisdiction, then it must submit a copy of the public disclosure and a Korean translation thereof to the FSC and the Korea Exchange, and (2) if a KRX KOSPI Market-listed company or KRX KOSDAQ Market-listed company is approved for listing on a foreign stock market or determined to be de-listed from the foreign stock market or actually listed on, or de-listed from a foreign stock market, then it must submit a copy of any document, which it submitted to or received from the relevant foreign government, foreign financial investment supervisory authority or the foreign stock market, and a Korean translation thereof to the FSC and the Korea Exchange.

2. REPORTING REQUIREMENTS FOR HOLDERS OF SUBSTANTIAL INTERESTS

Under the FSCMA, any person whose direct or beneficial ownership of shares with voting rights, certificates representing the rights to subscribe for shares and equity-related debt securities including convertible bonds and bonds with warrants (collectively referred to as "equity securities"), together with the equity securities beneficially owned by certain related persons or by any person acting in concert with the person, accounts for 5.0% or more of the total outstanding equity securities of a company, is required to report the status and purpose (in terms of whether the purpose of shareholding is to affect control over management of the issuer) of the holdings to the FSC and the Korea Exchange within five business days after reaching the 5.0% ownership interest threshold and must promptly deliver a copy of such report to the issuer. In addition, any change (1) in the ownership interest subsequent to the report which equals or exceeds 1.0% of the total outstanding equity securities, or (2) in the shareholding purpose, is required to be reported to the FSC and the Korea Exchange within five business days from the date of the change. However, the reporting deadline of such reporting requirement is extended for (1) certain professional investors, as specified under the FSCMA, or (2) certain professional investors, as specified under the FSCMA, who hold shares for purposes other than management control by up to the tenth day of the month immediately following the last month of the quarter in which the share acquisition or change in their shareholding occurred. Those who reported the purpose of shareholding is to affect control over management of the issuer are prohibited from exercising their voting rights and acquiring additional shares for five days subsequent to the report under the FSCMA.

Violation of these reporting requirements may subject a person to criminal sanctions such as fines or imprisonment and may result in a loss of voting rights with respect to the ownership of unreported equity securities exceeding 5.0%. Furthermore, the FSC may issue an order to dispose of such non-reported equity securities.

In addition to the reporting requirements described above, any person whose direct or beneficial ownership of our NVP Shares accounts for 10.0% or more of the total issued and outstanding shares with voting rights (a "**major shareholder**") must report the status of his or her shareholding to the Securities and Futures Commission and the Korea Exchange within five business days after he or she becomes a major shareholder. In addition, any change in the ownership interest subsequent to the report must be reported to the Securities and Futures Commission and the Korea Exchange by the fifth business day of any changes in his or her shareholding. Violations of these reporting requirements may subject a person to criminal sanctions, such as fines or imprisonment.

Furthermore, a major shareholder must report his or her trading plan to the Securities and Futures Commission and the Korea Exchange at least 30 days prior to trading.

3. RESTRICTIONS APPLICABLE TO GDSS

No Korean governmental approval is necessary for the sale and purchase of GDSs in the secondary market outside Korea or for the withdrawal of NVP Shares underlying the GDSs, or the delivery of shares in Korea in connection with the withdrawal. The acquisition of the shares by a foreigner must be reported by the foreigner or his or her standing proxy in Korea immediately to the Governor of the Financial Supervisory Service (the "**Governor**").

Persons who have acquired NVP Shares as a result of the withdrawal of shares underlying the GDSs may exercise their pre-emptive rights, participate in free distributions and receive dividends to the extent described herein without any further governmental approval.

4. RESTRICTIONS APPLICABLE TO SHARES OF KOREAN COMPANIES

As a result of amendments to the Foreign Exchange Transaction Laws and the regulations of the FSC (together referred to as the "**Investment Rules**") adopted in connection with the stock market opening from January 1992 and after that date, foreigners may invest, with limited exceptions and subject to procedural requirements, in all shares of Korean companies, whether listed on the KRX KOSPI Market or the KRX KOSDAQ Market, unless prohibited by specific laws. Foreign investors may trade shares listed on the KRX KOSPI Market or the KRX KOSDAQ Market only through the KRX KOSPI Market or the KRX KOSDAQ Market, except in limited circumstances, including, among others:

- odd-lot trading of shares;
- acquisition of shares by a foreign company as a result of a merger;
- acquisition or disposal of shares in connection with a tender offer;
- acquisition of shares by exercise of warrant, conversion right under convertible bonds, exchange right under exchangeable bonds or withdrawal right under depositary receipts issued outside of Korea by a Korean company ("**converted shares**");
- acquisition of shares through exercise of rights under securities issued outside of Korea;
- acquisition of shares as a result of inheritance, donation, bequest or exercise of shareholders' rights, including pre-emptive rights or rights to participate in free distributions and receive dividends;
- over-the-counter transactions between foreigners of a class of shares for which the ceiling on aggregate acquisition by foreigners, as explained below, has been reached or exceeded;
- acquisition of shares by direct investment (including de facto direct investment) under the Foreign Investment Promotion Law;
- acquisition and disposal of shares on an overseas stock exchange market, if such shares are simultaneously listed on the KRX KOSPI Market or KRX KOSDAQ Market and such overseas stock exchange;
- arm's length transactions between foreigners in the event all such foreigners belong to an investment group managed by the same person; and
- transactions between foreigners outside the securities market and alternative trading systems which do not result in a change in the substantive ownership of the securities.

Odd-lot trading of shares outside the KRX KOSPI Market or the KRX KOSDAQ Market must involve a financial investment company with a dealing license in Korea as the other party.

The Investment Rules previously required a foreign investor who wished to invest in shares for the first time on the KRX KOSPI Market or the KRX KOSDAQ Market (including converted shares) and shares being publicly offered for initial listing on the KRX KOSPI Market or the KRX KOSDAQ Market to register its identity with the Financial Supervisory Service (the "**FSS**") prior to making any such investment. Upon registration, the FSS issued an investment registration certificate (the "**IRC**"), also referred to as a "foreign investment ID," to the foreign investor, and the foreign investor was required to present the IRC each time he or she opened a brokerage account with a financial investment company or financial institution in Korea. Foreigners eligible to obtain IRCs included foreign nationals who had not been residing in Korea for a consecutive period of six months or longer, foreign governments, foreign municipal authorities, foreign public institutions, international financial institutions or similar international organizations, corporations incorporated under foreign laws and any person in any additional category designated by decree promulgated under the FSCMA. All Korean offices of a foreign corporation as a group were treated as a separate foreigner from the offices of the corporation outside Korea for the purpose of investment registration.

However, the IRC requirement was abolished on 13 June 2023. Recent amendments to the Investment Rules now permit a foreign investor to trade shares listed on the KRX KOSPI Market or the KRX KOSDAQ Market by providing its LEI (in case of corporate entities) or his or her passport number (in case of individuals) to a local securities broker and open a securities account. Foreign investors who have already obtained IRCs can continue to use them for purposes of trading shares listed on the KRX KOSPI Market or the KRX KOSDAQ Market.

If a foreign investor acquires or sells shares outside the KRX KOSPI Market and the KRX KOSDAQ Market, such acquisition or sale of shares must be reported by the foreign investor or such foreign investor's standing proxy to the Governor at the time of each such acquisition or sale; provided, however, that a foreign investor must ensure that any acquisition or sale of shares outside the KRX KOSPI Market or the KRX KOSDAQ Market in the case of trades in connection with a tender offer, odd-lot trading of shares or trades of a class of shares for which the aggregate foreign ownership limit has been reached or exceeded, is reported to the Governor by the Korea Securities Depository, financial investment companies with a dealing or brokerage license or securities finance companies engaged to facilitate such transaction. In the event a foreign investor desires to acquire or sell shares outside the KRX KOSPI Market or the KRX KOSDAQ Market and the circumstances in connection with such sale or acquisition do not fall within the exceptions made for certain limited circumstances described above, then the foreign investor must obtain the prior approval of the Governor. In addition, in the event a foreign investor acquires or sells shares outside the KRX KOSPI Market or the KRX KOSDAQ Market, a prior report to the Bank of Korea may also be required in certain circumstances. A foreign investor must appoint one or more standing proxies among the Korea Securities Depository, foreign exchange banks (including domestic branches of foreign banks), financial investment companies with a dealing, brokerage or collective investment license and certain eligible foreign custodians which will act as a standing proxy to exercise shareholders' rights, or perform any matters related to the foregoing activities if the foreign investor does not perform these activities himself. Generally, a foreign investor may not permit any person, other than his, her or its standing proxy, to exercise rights relating to its shares or perform any tasks related thereto on his, her or its behalf. However, a foreign investor may be exempted from complying with these standing proxy rules with the approval of the Governor in cases deemed inevitable by reason of conflict between laws of Korea and the home country of the foreign investor.

Shares of Korean companies must be electronically registered with an eligible custodian in Korea, except in cases where physical security is necessary for the exercise of securities rights or for physical inspections. The Korea Securities Depository, foreign exchange banks (including domestic branches of foreign banks), financial investment companies with a dealing, brokerage or collective investment license and certain eligible foreign custodians are eligible to act as a custodian of shares for a non-resident or foreign investor.

An investment by a foreign investor of not less than 10.0% of the outstanding shares with voting rights of a Korean company is defined as a direct foreign investment under the Foreign Investment Promotion Law, which is, in general, subject to the report to, and acceptance by, the Ministry of Trade, Industry and Energy of Korea, which delegates its authority to foreign exchange banks or the Korea Trade-Investment Promotion Agency under the relevant regulations.

Under the Foreign Exchange Transaction Laws, a foreign investor who intends to make a portfolio investment in shares of a Korean company listed on the KRX KOSPI Market or the KRX KOSDAQ Market must designate a foreign exchange bank at which he, she or it must open a foreign currency account and a Won account exclusively for stock investments. No approval is required for remittance into Korea and deposit of foreign currency funds in the foreign currency account. Foreign currency funds may be transferred from the foreign currency account at the time required to place a deposit for, or settle the purchase price of, a stock purchase transaction to a Won account opened at a securities company. Funds in the foreign currency account may be remitted abroad without any governmental approval.

Dividends on NVP Shares are paid in Won. No governmental approval is required for foreign investors to receive dividends on, or the Won proceeds of the sale of, any such shares to be paid, received and retained in Korea. Dividends paid on, and the Won proceeds of the sale of, any such shares held by a non-resident of Korea must be deposited either in a Won account with the investor's financial investment companies with a securities dealing, brokerage or collective investment license or the investor's Won account. Funds in the investor's Won account may be transferred to such investor's foreign currency account or withdrawn for local living expenses, provided that any withdrawal of local living expenses in excess of a certain amount is reported to the tax authorities by the foreign exchange bank at which the Won account is maintained. Funds in the investor's Won account may also be used for future investment in NVP Shares or for payment of the subscription price of new NVP Shares obtained through the exercise of pre-emptive rights.

Financial investment companies with a securities dealing, brokerage or collective investment license are allowed to open foreign currency accounts with foreign exchange banks exclusively for accommodating foreign investors' stock investments in Korea. Through these accounts, these financial investment companies may enter into foreign exchange transactions on a limited basis, such as conversion of foreign currency funds and Won funds, either as a counterparty to or on behalf of foreign investors, without the investors having to open their own accounts with foreign exchange banks.

Schedule I
DEFINITIONS AND GLOSSARY

The following definitions apply throughout this Prospectus unless the context requires otherwise:

2022 Annual Report	Refers to the Company's annual report for the year ended 31 December 2022, filed with the FCA on 28 April 2023;
2023 Annual Report	Refers to the Company's annual report for the year ended 31 December 2023, filed with the FCA on 30 April 2024;
2023 Financial Statements	Refers to the Company's audited consolidated financial statements for the year ended 31 December 2023, including the audit report related thereto, filed with the FCA on 19 February 2024;
2024 HY Report	Refers to the Company's Q2 interim report for the six months ended 30 June 2024, filed with the FCA on 30 August 2024;
Admission	Refers to the admission of the GDRs to the 'certificates representing certain securities (depositary receipts)' category of the Official List of the FCA and admission to trading on the Main Market of the LSE by introduction;
Articles of Incorporation	Refers to the Articles of Incorporation of Samsung Electronics Co., Ltd. In effect as of the date hereof;
BIS	Refers to the Bureau of Industry and Security of the U.S. Department of Commerce;
Code	Refers to the U.S. Internal Revenue Code of 1986, as amended;
Company	Refers to Samsung Electronics Co., Ltd.
Converted shares	Has the meaning given to it on page 94 of this Prospectus;
Custodian	Refers to the Depositary's custodian in Seoul;
Deloitte	Refers to Deloitte Anjin LLC;
Deposit Agreement	Refers to the third amended and restated deposit agreement, dated as of 12 February 2009, as further amended on 30 May 2023, between Citibank, N.A., the Company, and the holders and beneficial owners of GDSs issued thereunder;
Depositary	Refers to Citibank N.A. as depositary;
DS	Refers to the Company's Device Solutions Division;
DTC	Refers to the Depositary Trust Company;
DX	Refers to the Company's Device eXperience Division;
EU	Refers to the European Union;
FCA	Refers to the Financial Conduct Authority;
FSC	Refers to the Korean Financial Services Commission;
FSCMA	Refers to the Financial Investment Services and Capital Markets Act 2007, as amended;
FSMA	Refers to the Financial Services and Markets Act 2000, as amended;
FSS	Refers to the Korean Financial Supervisory Service;
GDRs	Refers to global depositary receipts, each evidencing a specified number of GDSs.
GDSs	Refers to global depositary shares, each of which represent twenty-five of the Company's non-voting preference shares;
Governor	Refers to the Governor of the FSS;
Harman	Refers to Harman International Industries, Inc. and its subsidiaries;
Holder	Refers to each holder of GDRs;

IRC	Refers to an investment registration certificate, issued by the FSS;
IRS	Refers to the U.S. Internal Revenue Service;
Investment Rules	Refers to the amendments to the Foreign Exchange Transaction Laws and the regulations of the FSC;
Korean IFRS	Refers to Korean International Financial Reporting Standards;
Korea/South Korea/ROK	All references to these terms are to refer to the Republic of Korea;
KPMG	Refers to KPMG SAMJONG Accounting Corp.;
KRW	Refers to Korean won;
KSEC	Refers to the Korean Securities and Exchange Commission;
LEI	Refers to the legal entity identifier;
Lower-tier PFIC	Refers to any entity that is a PFIC, where another PFIC owns or is deemed to own equity interests in it;
LSE	Refers to the London Stock Exchange;
LuxSE	Refers to the Luxembourg Stock Exchange;
LuxSE Delisting	Refers to the Company's application to cancel the listing of its GDSs on the LuxSE;
Master GDR	Refers to a single master GDR;
MOEF	Has the meaning given to it on page 92 of this Prospectus;
Non-Resident Holders	Has the meaning given to it on page 77 of this Prospectus;
NVP Shares	Refers to the Company's non-voting preference shares;
Official List	Refers to the list of publicly listed companies maintained by the FCA;
PFIC	Refers to a passive foreign investment company;
Prospectus	Refers to this document, issued solely in connection with Admission;
Prospectus Regulation	Refers to the prospectus regulation rules of the EU made pursuant to Article 6 of Regulation (EU) 2017/1129;
Prospectus Regulation Rules	Refers to the prospectus regulation rules of the FCA made pursuant to Section 73A of FSMA, as amended;
Q3 2024 Report	Refers to the Company's Q3 interim report for the nine months ended 30 September 2024, filed with the FCA on 29 November 2024;
Q4 2024 Earnings Release	Refers to the Company's earnings release for the three months ended 31 December 2024, filed with the FCA on 31 January 2025;
R&D	Refers to research and development;
Samsung	Refers to Samsung Electronics Co., Ltd.;
Samsung C&T	Refers to Samsung C&T Corporation;
Samsung Life Insurance	Refers to Samsung Life Insurance Co., Ltd.;
SDC	Refers to Samsung Display and its subsidiaries;
Treaty	Refers to the United States – Republic of Korea Income Tax Convention, signed in 1976.