

2025.1Q

# EARNINGS BRIEFING

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May 2025

# DISCLAIMER

This presentation includes the recent earnings results and business performance of SK Inc. (the "Company") and its major subsidiaries. It has been prepared for shareholders and investors for informational purposes only.

The financial information presented herein is based on K-IFRS. As the forward-looking statements herein reflect the current business environment and the Company's business strategies, actual developments may differ from those in the statements due to changes in the business environment and the Company's strategies as well as other uncertainties.

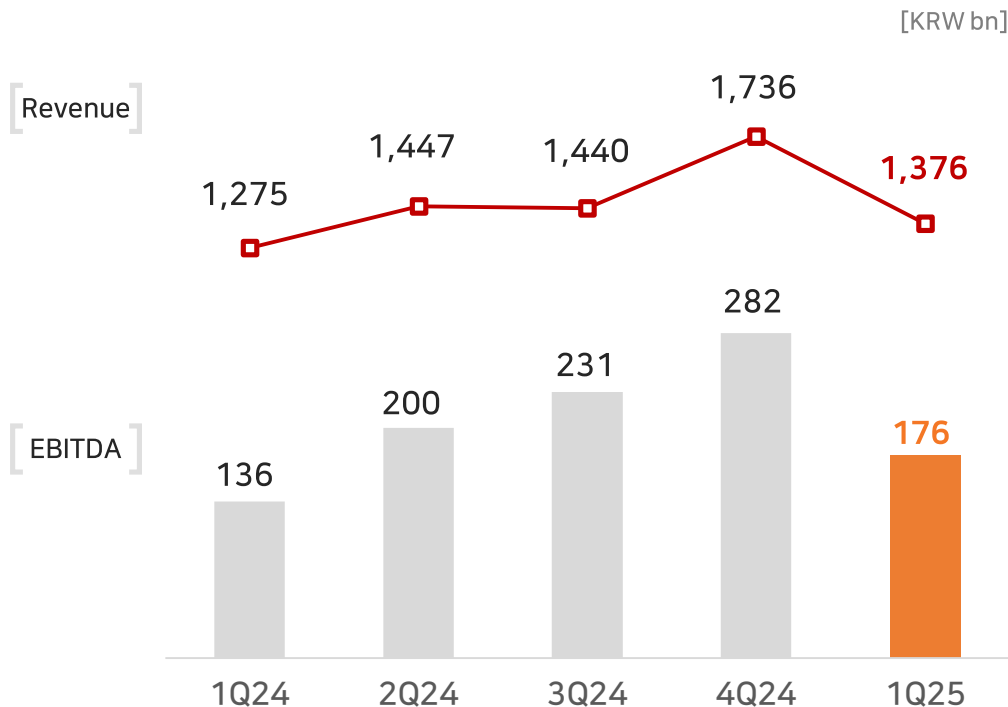
Under no circumstances should this material be considered as evidence of legal responsibility for investors' investment results.



## Pharmteco and C&C drove YoY improvement of major unlisted company results<sup>\*combined basis</sup> Net Debt reduction accelerated through continued portfolio rebalancing efforts

### Total Earnings of Major Unlisted Subsidiaries and In-house Business

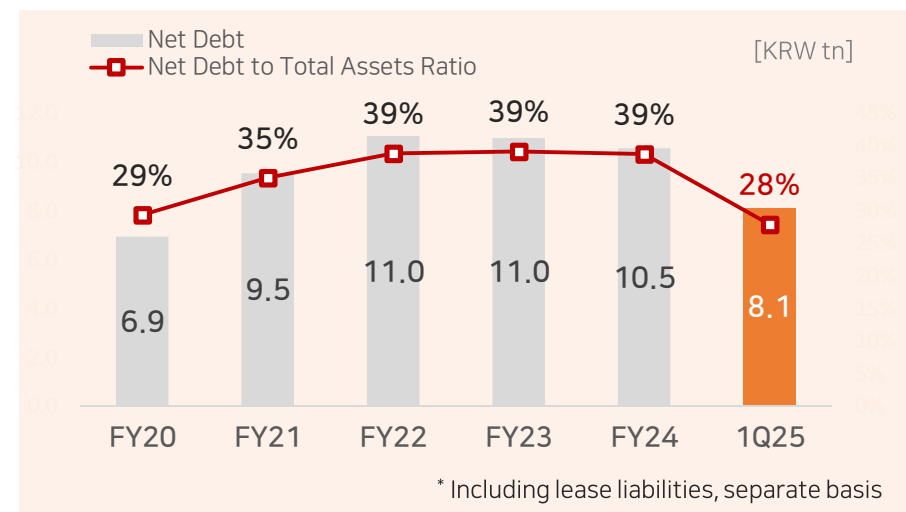
- 1Q25 Revenue YoY +7.9%, QoQ  $\Delta$ 20.7%  
EBITDA YoY +29.4%, QoQ  $\Delta$ 37.6%



### Strengthening Financial Structure

- Strengthened financial robustness and established a solid foundation to achieve ROE target
  - KRW 2.6tn of disposal gain from sale of SK specialty recognized in 1Q25 (Deal closed on Mar 31, 2025)
  - 1Q25 Net Debt decreased by 23% from year-end 2024 (Separate basis)
  - Consolidated net income: FY24 KRW 0.5tn  $\rightarrow$  1Q25 KRW 3.6tn  
Net income attributable to controlling interest: KRW  $\Delta$  1.3tn  $\rightarrow$  2.3tn

### Net Debt Status



1) SK pharmteco, SK siltron, SK materials CIC, SK C&C combined  
 2) SK E&S, SK airplus, SK specialty excluded from the total earnings of major unlisted subsidiaries  
 3) SK materials CIC results represent the simple sum of subsidiaries excluding SK specialty and SK airplus

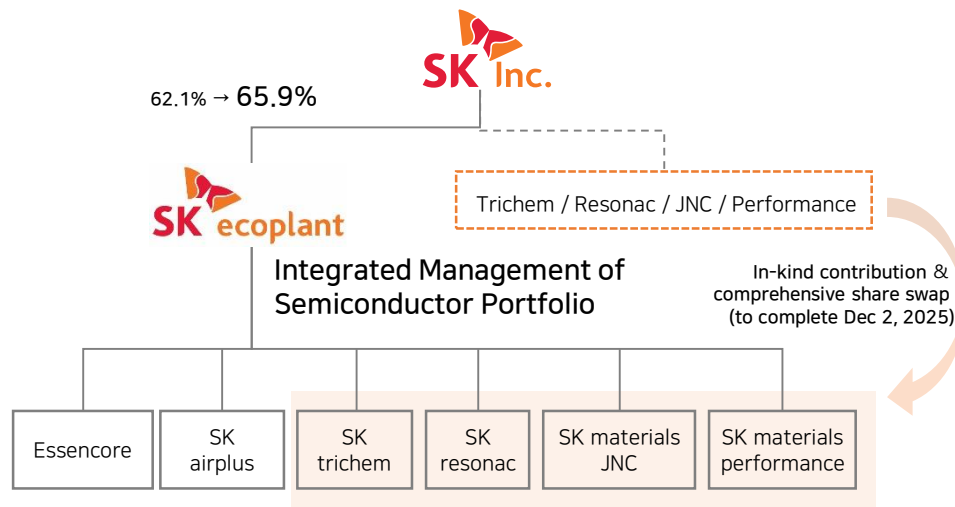
## Executed consistent portfolio rebalancing strategy to enhance synergies across our businesses and fortify future growth potential

### Business Portfolio Restructuring of SK ecoplant

#### □ Enhancing portfolio's growth prospects while setting the stage for a higher intrinsic valuation

- Positioning SK ecoplant as a total semiconductor solutions provider, covering the entire value chain from infrastructure development to operations
  - Diversifying semiconductor gas and materials portfolio and maximizing synergies with EPC business

#### Overview



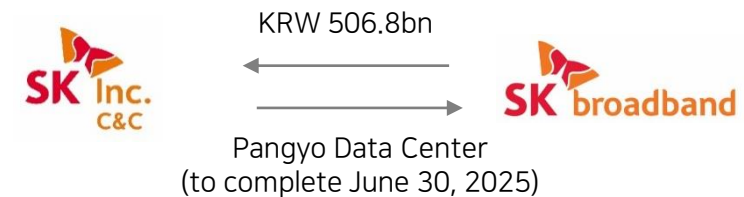
\* Essencore and SK airplus were transferred to SK ecoplant on November 1, 2024, through in-kind contribution and share swap

### C&C Pangyo Data Center Transfer

#### □ Streamlined group-wide datacenter and cloud portfolio, aiming to maximize synergy

- Enhancing business competitiveness by eliminating inefficient overlaps and integrating fragmented capabilities
- C&C to focus on enhancing enterprise AI solutions and expanding business footprint, building on proven SI expertise

#### Overview



- Location
  - Pangyo 1st Techno Valley, Bundang-gu, Seongnam-si, Gyeonggi-do
- Facility
  - 6/4 floors (GFA 67,024m<sup>2</sup>)
  - Capacity : 30MW

Despite sluggish performance in the refining and chemical sectors, pre-tax profit rose on the back of robust earning from semiconductor business and gain from asset sales

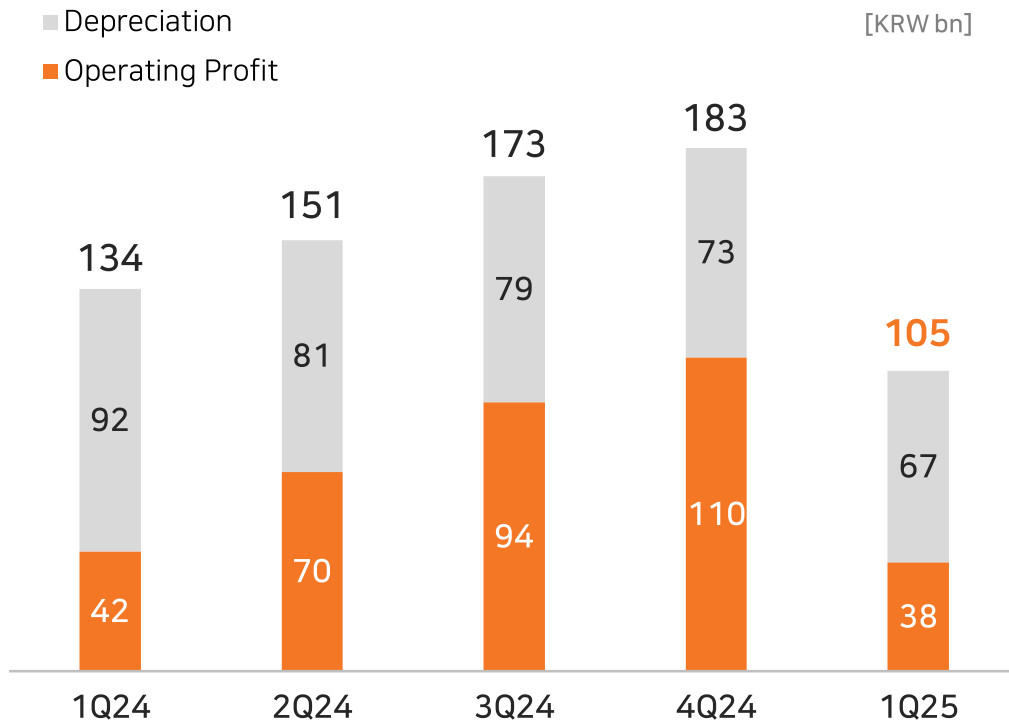
[KRW tn]	Revenue			Operating Profit			Income before Tax		
	1Q25	1Q24	YoY	1Q25	1Q24	YoY	1Q25	1Q24	YoY
Consolidated	31.23	32.43	△3.7%	0.40	1.47	△72.8%	1.64	1.10	+49.1%
Separate	0.79	1.24	△36.3%	0.18	0.61	△70.5%	2.55	0.47	+442.6%
SK innovation	21.15	18.86	+12.1%	△0.04	0.62	Turn to loss	△0.33	0.02	Turn to loss
SK square	0.40	0.50	△20.0%	1.65	0.32	+415.6%	1.69	0.35	+382.9%
SK telecom	4.45	4.47	△0.4%	0.57	0.50	+14.0%	0.51	0.44	+15.9%
SK networks	1.64	2.08	△21.2%	0.02	0.02	-	0.00	0.00	-
SKC	0.44	0.40	+10.0%	△0.07	△0.07	-	△0.13	△0.13	-
SK ecoplant	2.61	2.06	+26.7%	0.06	0.06	-	0.07	0.07	-
SK materials CIC	0.09	0.08	+12.5%	0.02	0.01	+100%	0.01	0.01	-
SK siltron	0.46	0.48	△4.2%	0.04	0.04	-	0.03	0.04	△25.0%

1) 1Q24 results of SK networks and SKC have been restated to reflect discontinued operations

2) SK materials CIC results represent the simple sum of subsidiaries excluding SK specialty and SK airplus, and have not been audited

Si wafer sales rose slightly YoY, despite customer inventory adjustments and weak downstream demand  
2H recovery expected on LTA-driven volume increase and continued cost improvements

## SK siltron EBITDA



	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	462	476	△2.9%	580	△20.3%
Operating Profit	38	42	△9.6%	110	△65.5%
EBITDA margin	22.8%	28.1%	△5.3%p	31.6%	△8.8%p

## Highlights

### Revenue(YoY △2.9%) and OP(YoY △9.6%) declined on weakened SiC wafer sales, despite growth in Si wafer

- Si wafer revenue up on 300mm PW sales growth despite lower Epi sales
- SiC wafer losses widened due to customer inventory adjustments during off-season

### Annual results to improve on recovery of wafer shipment in 2H and ongoing cost improvements

- Si wafer LTA shipment to recover in 2H, amid growing AI semiconductor contents and high-end chip demand
- Profitability to remain solid through customer diversification and operational improvement

### SiC wafer (SK siltron CSS) growth to continue through improved productivity, technological competitiveness, and additional LTAs

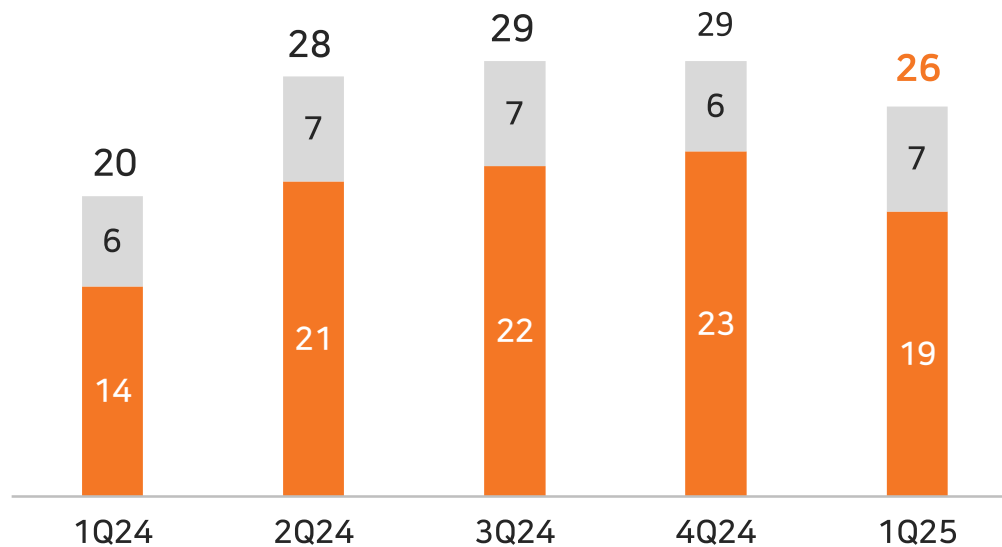
- Targeting 50%+ YoY revenue growth in FY25, anticipating customer inventory correction to ease in 2H
- 200mm mass production to begin in FY25 via key customer cooperation

Performance strengthened YoY on back of expanded customer base  
Focus on customer · technology · cost competitiveness to drive further growth

## SK materials CIC EBITDA

■ Depreciation  
■ Operating Profit

[KRW bn]



	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	90	79	+14.0%	94	△4.8%
Operating Profit	19	14	+31.4%	23	△16.4%
EBITDA margin	28.8%	26.4%	+2.4%p	30.8%	△2.0%p

## Highlights

### Revenue (YoY +14.0%) and OP (YoY +31.4%) grew driven by customer portfolio expansion and productivity enhancements despite delayed market recovery

- Precursor: Maintained solid profitability supported by customer expansion and improved process yields
- PR: Earnings grew on increased shipments to China
- Display: Continued growth through expanded supply to China, adoption in customer's new product platforms, and cost management

### New high-value-added products and continued cost reductions to drive further growth in 2H

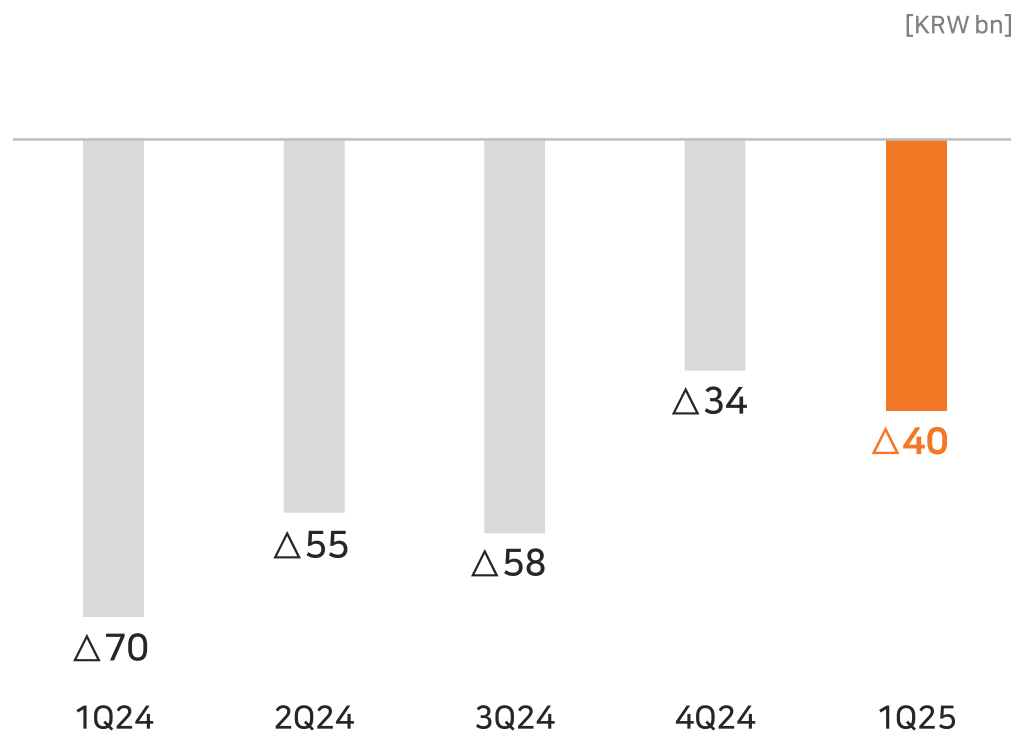
- Precursor: Driving margin improvement through process innovation and expansion of high-value-added product
- Etching gas: HBr\* sales and customer base expansion to grow revenue
- PR: Sales growth of premium PR product and improved demand from China expected
- Display: Accelerating development of TADF\*\*

\* HBr (Hydrogen Bromide): Precise vertical etching gas for 3D NAND and logic

\*\* TADF (Thermally Activated Delayed Fluorescence): High-efficiency, high-resolution OLED materials

Reduced operating losses YoY via growth in small molecule · CGT sales and cost improvement  
Revenue growth to continue on supply expansion of core products

## SK pharmteco Operating Profit



	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	238	172	+38.3%	264	Δ9.8%
Operating Profit	Δ40	Δ70	N/A	Δ34	N/A
EBITDA margin	Δ1.3%	Δ25.2%	+23.9%p	0.8%	Δ2.1%p

※ SK pharmteco results shown here were prepared internally and have not been audited

## Highlights

□ Revenue (YoY +38.3%) grew from small molecule · CGT business expansion, operating loss reduced (YoY + KRW 30.6bn) on eased fixed cost burden

- Small molecule revenue grew with expanded supply of core diabetes related products
- CGT revenue more than doubled YoY driven by efforts to secure orders
- Profitability enhanced through operational improvement activities such as capacity optimization

□ Revenue growth and profitability improvement expected in 2H through big pharma partnerships and operational improvements

□ Launched cutting-edge HPAPI\*-specialized cGMP laboratory in U.S. (Feb 2025)

- HPAPI focused lab with top safety and quality systems to enhance CDMO competitiveness. Completed first product delivery in 1Q25
- Strengthening client support services in quality control and analysis

\* HPAPI (High Potency Active Pharmaceutical Ingredient): High potent drug substance, commonly used in oncology treatments, that exerts strong effects in minimal doses

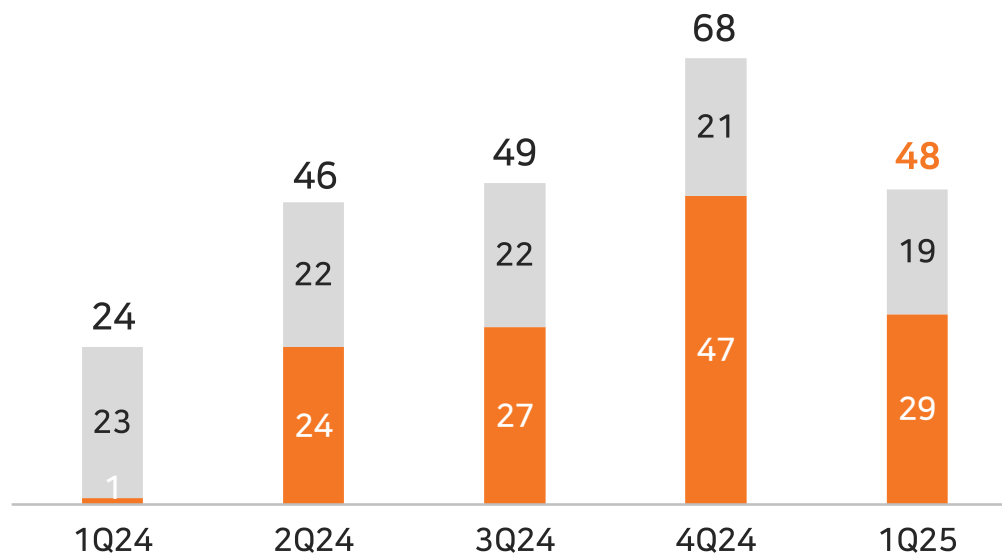


## New DX (Digital Transformation) and cloud projects continue to drive YoY revenue and profitability growth

### IT Services EBITDA

■ Depreciation  
■ Operating Profit

[KRW bn]



	1Q25	1Q24	YoY	4Q24	QoQ
Revenue	586	548	+6.9%	798	△26.6%
Operating Profit	29	1	+2,874%	47	△38.3%
EBITDA margin	8.1%	4.3%	+3.8%p	8.6%	△0.5%p

※ IT Services (C&C) results shown here were prepared internally and have not been audited

### Highlights

#### Revenue grew (YoY +6.9%) driven by increased DX and cloud demand across all sectors

- ERP and Smart Factory projects increased in manufacturing and service sector
- Increased revenue from Next-generation projects in financial sector

#### OP margin (YoY +4.7%p) improved on project- and company-level cost optimization efforts

- Margin improved on new project launch and base effect from one-off expenses in 2024
- Strengthening profitability via continued operational improvement

	1Q24	2Q24	3Q24	4Q24	1Q25
OPM(%)	0.2%	3.8%	4.6%	5.9%	4.9%

#### Further growth expected in 2H on increasing enterprise demands for IT services

- Expansion of DX · cloud business and AI projects to boost revenue and profit growth
- Rebranded as "SK AX" to focus and expedite business in AI innovation and global expansion

# [Appendix] Results of Major Unlisted Subsidiaries

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[KRW bn]		1Q22	2Q22	3Q22	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25
SK materials CIC	Revenue	83	102	113	132	430	90	75	60	74	298	79	88	96	94	357	90
	Operating Profit	22	33	37	29	120	14	12	10	16	51	14	21	22	23	79	19
	EBITDA	27	38	43	35	143	19	17	15	21	72	21	28	28	29	106	26
	EBITDA Margin	32%	37%	38%	27%	33%	21%	22%	25%	28%	24%	26%	32%	29%	31%	30%	29%
SK siltron	Revenue	555	597	630	572	2,355	580	492	469	485	2,026	476	503	568	580	2,127	462
	Operating Profit	119	159	156	131	565	114	70	39	58	281	42	70	94	110	316	38
	EBITDA	219	253	251	235	958	219	170	136	151	676	134	150	173	183	640	105
	EBITDA Margin	39%	42%	40%	41%	41%	38%	35%	29%	31%	33%	28%	30%	30%	32%	30%	23%
SK C&C	Revenue	412	500	513	632	2,056	462	631	522	801	2,415	548	632	586	798	2,564	586
	Operating Profit	11	23	17	39	90	7	28	18	60	114	1	24	27	47	99	29
	EBITDA	32	47	44	64	187	30	51	40	82	203	24	46	49	68	187	48
	EBITDA Margin	8%	9%	9%	10%	9%	6%	8%	8%	10%	8%	4%	7%	8%	9%	7%	8%

※ SK materials CIC results represent the simple sum of subsidiaries excluding SK specialty and SK airplus, and have not been audited



# THANK YOU

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