



SK Inc. AND ITS SUBSIDIARIES

Condensed Consolidated Interim Financial Statements
March 31, 2025 and 2024
(with Independent Auditors' Review Report Thereon)

Table of contents

	Page
Independent Auditors' Review Report	1
Condensed Consolidated Interim Financial Statements	
Condensed Consolidated Interim Statements of Financial Position	3
Condensed Consolidated Interim Statements of Comprehensive Income	4
Condensed Consolidated Interim Statements of Changes in Equity	5
Condensed Consolidated Interim Statements of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Statements	8 - 114

Independent Auditors' Review Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
SK Inc.

Reviewed Financial Statements

We have reviewed the accompanying condensed consolidated interim financial statements of SK Inc. and its subsidiaries (the "Group"), expressed in Korean won, which comprise the condensed consolidated interim statement of financial position as of March 31, 2025, the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2025 and 2024, and notes comprising a summary of material accounting policy information and other explanatory information.

Management's Responsibility for the Interim Financial Statements

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with Korean International Financial Reporting Standard ("K-IFRS") No. 1034 "Interim Financial Reporting", and for such internal control as management determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' review responsibility

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our reviews.

We conducted our reviews in accordance with the Review Standards for Quarterly and Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Korean Standards on Auditing ("KSAs") and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements referred to above do not present fairly, in all material respects, in accordance with the K-IFRS No. 1034, "Interim Financial Reporting".

Other matters

The consolidated statement of financial position as of December 31, 2024, the related statement of comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this report, were audited by us in accordance with KSAs and report thereon, dated March 11, 2025, expressed an unmodified opinion. The accompanying consolidated statement of financial position as of December 31, 2024, presented for comparative purposes, is not different from that audited by us from which it was derived in all material respects.



The procedures and practices utilized in the Republic of Korea to review such condensed consolidated interim financial statements may differ from those generally accepted and applied in other countries.

The accompanying condensed consolidated interim financial statements as of March 31, 2025, for the three-month periods ended March 31, 2025 and 2024, and the consolidated statement of financial position as of December 31, 2024 have been translated into United States dollars solely for the convenience of the reader and such translation does not comply with K-IFRS. We have reviewed the translation and nothing came to our attention that cause us to believe that the condensed consolidated interim financial statements expressed in Korean won have not been translated into dollars on the basis set forth in note 2.1 to the condensed consolidated interim financial statements.

KPMG Samjong Accounting Corp.

Seoul, Korea
May 15, 2025

This report is effective as of May 15, 2025, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this review report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of financial position
as of March 31, 2025 and December 31, 2024

(Korean won in millions and U.S. dollar in thousands)

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Assets					
Current assets:					
Cash and cash equivalents	5	₩ 25,843,001	₩ 24,647,042	\$ 17,622,230	\$ 16,806,711
Short-term financial instruments	5,38,39	3,310,503	2,791,768	2,257,418	1,903,695
Trade receivables, net	5,6,33,39	14,330,952	13,454,372	9,772,214	9,174,478
Other receivables, net	5,6,33,39	3,447,277	3,114,522	2,350,683	2,123,779
Inventories, net	7	13,858,115	13,638,472	9,449,789	9,300,015
Short-term investment securities	5,8,38,39	52,931	13,134	36,093	8,956
Other current assets	5,6,20,21,33,38,39	6,527,542	6,679,665	4,451,104	4,554,835
Assets held for sale	35	1,830,605	3,123,889	1,248,282	2,130,166
Total current assets		<u>69,200,926</u>	<u>67,462,864</u>	<u>47,187,813</u>	<u>46,002,635</u>
Non-current assets:					
Long-term financial instruments	5,39	51,986	51,846	35,449	35,354
Long-term trade receivables, net	5,6,33,39	619,267	601,685	422,275	410,286
Long-term other receivables, net	5,6,33,39	279,656	284,689	190,696	194,128
Long-term investment securities	5,8,38,39	6,773,981	6,723,257	4,619,148	4,584,560
Investments in associates and joint ventures	9,10,38	32,530,909	31,108,433	22,182,686	21,212,706
Property, plant and equipment, net	12,38	80,293,744	80,363,735	54,751,956	54,799,683
Right-of-use assets, net	13	4,856,802	4,938,295	3,311,832	3,367,402
Investment properties, net	14,38	1,007,539	994,339	687,036	678,035
Goodwill	15	5,428,766	5,462,338	3,701,852	3,724,745
Intangible assets, net	16	10,101,975	10,442,495	6,888,493	7,120,692
Defined benefit asset	19	202,977	339,646	138,409	231,603
Deferred tax assets		2,643,001	2,418,044	1,802,251	1,648,854
Other non-current assets	5,6,20,21,33,39	3,747,945	3,786,088	2,555,708	2,581,717
Total non-current assets		<u>148,538,548</u>	<u>147,514,890</u>	<u>101,287,791</u>	<u>100,589,765</u>
Total assets		<u>₩ 217,739,474</u>	<u>₩ 214,977,754</u>	<u>\$ 148,475,604</u>	<u>\$ 146,592,400</u>
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	5,17,38,39	₩ 17,311,582	₩ 20,002,596	\$ 11,804,693	\$ 13,639,684
Trade payables	5,33,39	12,484,560	12,752,930	8,513,167	8,696,168
Other payables	5,33,39	10,039,119	10,423,076	6,845,632	7,107,450
Provisions	18	613,787	598,197	418,539	407,908
Current portion of long-term debt	5,17,38,39	16,329,803	14,788,886	11,135,222	10,084,477
Other current liabilities	5,6,13,20,21,33,39	13,386,017	11,980,362	9,127,867	8,169,357
Liabilities held for sale	35	104,813	986,774	71,472	672,877
Total current liabilities		<u>70,269,681</u>	<u>71,532,821</u>	<u>47,916,592</u>	<u>48,777,921</u>
Non-current liabilities:					
Bonds and long-term borrowings	5,17,39	53,349,707	48,073,129	36,378,934	32,780,859
Long-term other payables	5,39	606,170	958,437	413,345	653,554
Defined benefit liabilities	19	141,312	87,165	96,360	59,437
Provisions	18	1,337,375	1,307,787	911,950	891,774
Deferred tax liabilities		4,197,401	4,080,780	2,862,190	2,782,666
Other non-current liabilities	5,6,13,20,21,33,39	8,008,698	8,650,099	5,461,095	5,898,466
Total non-current liabilities		<u>67,640,663</u>	<u>63,157,397</u>	<u>46,123,874</u>	<u>43,066,756</u>
Total liabilities		<u>137,910,344</u>	<u>134,690,218</u>	<u>94,040,466</u>	<u>91,844,677</u>
Equity					
Equity attributable to owners of the parent:					
Share capital	1,22	16,143	16,143	11,008	11,008
Other paid-in capital	23,26	11,156,488	11,249,551	7,607,561	7,671,020
Retained earnings	24	13,953,470	11,881,908	9,514,811	8,102,222
Other components of equity	25	1,879,882	1,966,989	1,281,883	1,341,281
Equity attributable to owners of the Parent Company		<u>27,005,983</u>	<u>25,114,591</u>	<u>18,415,263</u>	<u>17,125,531</u>
Non-controlling interests	1	52,823,147	55,172,945	36,019,875	37,622,192
Total equity		<u>79,829,130</u>	<u>80,287,536</u>	<u>54,435,138</u>	<u>54,747,723</u>
Total liabilities and equity		<u>₩ 217,739,474</u>	<u>₩ 214,977,754</u>	<u>\$ 148,475,604</u>	<u>\$ 146,592,400</u>

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of comprehensive income
for the three-month periods ended March 31, 2025 and 2024

(Korean won in millions and U.S. dollar in thousands, except for earnings per share)

	Notes	For the three-month period ended March 31			
		Korean won		Translation into U.S. dollar (Note 2)	
		2025	2024	2025	2024
Sales	4,33	₩ 31,229,933	₩ 32,432,855	\$ 21,295,556	\$ 22,115,823
Cost of sales	30,33	28,937,847	28,969,133	19,732,593	19,753,926
Gross profit		2,292,086	3,463,722	1,562,963	2,361,897
Other operating income	4	170,779	38,539	116,453	26,280
Selling and administrative expenses	27,30,33	2,063,084	2,033,202	1,406,808	1,386,432
Operating profit	4	399,781	1,469,059	272,608	1,001,745
Finance income	28	1,617,119	1,769,106	1,102,706	1,206,346
Finance costs	28	2,609,701	2,667,389	1,779,544	1,818,881
Gain on investments in associates and joint ventures, net	9,10	1,794,372	457,130	1,223,574	311,715
Other non-operating income	29	602,729	183,298	410,999	124,990
Other non-operating expenses	29	161,925	113,637	110,415	77,489
Profit from continuing operations before income tax expense	4	1,642,375	1,097,567	1,119,928	748,426
Income tax expense (benefit) from continuing operations	31	(82,460)	488,658	(56,230)	333,214
Profit for the period from continuing operations	4	1,724,835	608,909	1,176,158	415,212
Gain from discontinued operations	34	1,865,877	116,343	1,272,333	79,334
Profit for the period		₩ 3,590,712	₩ 725,252	\$ 2,448,491	\$ 494,546
attributable to:					
Owners of the Parent Company		2,349,097	157,423	1,601,839	107,346
Non-controlling interests		1,241,615	567,829	846,652	387,200
Other comprehensive income (loss):					
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Remeasurements of the net defined benefit plans		(47,346)	(8,792)	(32,285)	(5,995)
Net gain (loss) on valuation of financial assets at FVOCI		(280,379)	78,380	(191,189)	53,447
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		23,487	88,120	16,016	60,089
Net gain (loss) on valuation of derivative financial instruments		(3,393)	57,816	(2,314)	39,424
Net gain on translation of foreign operations		138,540	1,669,198	94,470	1,138,219
		(169,091)	1,884,722	(115,302)	1,285,184
Total comprehensive income for the period		₩ 3,421,621	₩ 2,609,974	\$ 2,333,189	\$ 1,779,730
attributable to:					
Owners of the Parent Company		2,239,529	838,906	1,527,125	572,046
Non-controlling interests		1,182,092	1,771,068	806,064	1,207,684
Earnings per share (Korean won and U.S. dollar):	32				
Basic earnings per share		₩ 42,645	₩ 2,852	\$ 29.08	\$ 1.94
Preferred earnings per share		42,695	2,902	29.11	1.98
Diluted earnings per share		42,572	2,851	29.03	1.94
Basic earnings per share from continuing operations		8,763	1,723	5.98	1.17
Preferred earnings per share from continuing operations		8,763	1,723	5.98	1.17
Diluted earnings per share from continuing operations		8,730	1,723	5.95	1.17

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of changes in equity
for the three-month periods ended March 31, 2025 and 2024
(Korean won in millions)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
	₩	₩	₩	₩	₩	₩	₩
As of January 1, 2024	16,143	7,024,926	13,668,066	17,579	20,726,714	57,152,336	77,879,050
Total comprehensive income:	-	-	157,423	-	157,423	567,829	725,252
Profit for the period	-	-	(31)	-	(31)	(8,761)	(8,792)
Remeasurements of the net defined benefit plans	-	-	-	-	-	-	-
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	5,241	(48,460)	(43,219)	121,599	78,380
Equity adjustment arising from investments in equity-accounted investees	-	-	-	39,349	39,349	48,771	88,120
Net gain (loss) on valuation of derivative financial instruments	-	-	-	18,044	18,044	39,772	57,816
Net gain on translation of foreign operations	-	-	-	667,340	667,340	1,001,858	1,669,198
Transaction with share holders recognized directly to equity:	-	-	(192,818)	-	(192,818)	(809,507)	(1,002,325)
Dividends	-	-	-	-	-	-	-
Stock-based payment	-	6,033	-	-	6,033	13,909	19,942
Equity transactions within consolidated entities	-	(142,940)	-	-	(142,940)	667,673	524,733
Others	-	2,531	9,117	-	11,648	5,746	17,394
As of March 31, 2024	16,143	6,890,550	13,646,998	693,852	21,247,543	58,801,225	80,048,768
As of January 1, 2025	16,143	11,249,551	11,881,908	1,966,989	25,114,591	55,172,945	80,287,536
Total comprehensive income:	-	-	2,349,097	-	2,349,097	1,241,615	3,590,712
Profit for the period	-	-	(21,528)	-	(21,528)	(25,818)	(47,346)
Remeasurements of the net defined benefit plans	-	-	-	-	-	-	-
Net loss on valuation of financial assets measured at FVOCI	-	-	(933)	(158,424)	(159,357)	(121,022)	(280,379)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	12,600	12,600	10,887	23,487
Net loss on valuation of derivative financial instruments	-	-	-	(170)	(170)	(3,223)	(3,393)
Net gain on translation of foreign operations	-	-	-	58,887	58,887	79,653	138,540
Transaction with share holders recognized directly to equity:	-	-	(302,994)	-	(302,994)	(667,224)	(970,218)
Dividends	-	-	-	-	-	-	-
Stock-based payment	-	280	-	-	280	18,090	18,370
Equity transactions within consolidated entities	-	(77,814)	-	-	(77,814)	(2,840,022)	(2,917,836)
Changes in the scope of consolidation	-	-	-	-	-	1,069	1,069
Others	-	(15,529)	47,920	-	32,391	(43,803)	(11,412)
As of March 31, 2025	16,143	11,156,488	13,953,470	1,879,882	27,005,983	52,823,147	79,829,130

SK Inc. and its subsidiaries
Condensed consolidated interim statements of changes in equity
for the three-month periods ended March 31, 2025 and 2024
(U.S.dollar in thousands)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
	\$	\$	\$	\$	\$	\$	\$
As of January 1, 2024	11,008	4,790,267	9,320,195	11,987	14,133,457	38,971,930	53,105,387
Total comprehensive income:							
Profit for the period	-	-	107,346	-	107,346	387,200	494,546
Remeasurements of the net defined benefit plans	-	-	(21)	-	(21)	(5,974)	(5,995)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	3,574	(33,045)	(29,471)	82,918	53,447
Equity adjustment arising from investments in equity-accounted investees	-	-	-	26,832	26,832	33,257	60,089
Net gain (loss) on valuation of derivative financial instruments	-	-	-	12,304	12,304	27,120	39,424
Net gain on translation of foreign operations	-	-	-	455,056	455,056	683,163	1,138,219
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(131,482)	-	(131,482)	(551,999)	(683,481)
Stock-based payment	-	4,114	-	-	4,114	9,484	13,598
Equity transactions within consolidated entities	-	(97,470)	-	-	(97,470)	455,283	357,813
Others	-	1,726	6,217	-	7,943	3,918	11,861
As of March 31, 2024	11,008	4,698,637	9,305,829	473,134	14,488,608	40,096,300	54,584,908
As of January 1, 2025	11,008	7,671,020	8,102,222	1,341,281	17,125,531	37,622,192	54,747,723
Total comprehensive income:							
Profit for the period	-	-	1,601,839	-	1,601,839	846,652	2,448,491
Remeasurements of the net defined benefit plans	-	-	(14,680)	-	(14,680)	(17,605)	(32,285)
Net loss on valuation of financial assets measured at FVOCI	-	-	(636)	(108,029)	(108,665)	(82,524)	(191,189)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	8,592	8,592	7,424	16,016
Net loss on valuation of derivative financial instruments	-	-	-	(116)	(116)	(2,198)	(2,314)
Net gain on translation of foreign operations	-	-	-	40,155	40,155	54,315	94,470
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(206,610)	-	(206,610)	(454,977)	(661,587)
Stock-based payment	-	191	-	-	191	12,335	12,526
Equity transactions within consolidated entities	-	(53,061)	-	-	(53,061)	(1,936,660)	(1,989,660)
Changes in the scope of consolidation	-	-	-	-	-	729	729
Others	-	(10,589)	32,676	-	22,087	(29,869)	(7,782)
As of March 31, 2025	11,008	7,607,561	9,514,811	1,281,883	18,415,263	36,019,875	54,435,138

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See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of cash flows
for the three-month periods ended March 31, 2025 and 2024
(Korean won in millions and U.S. dollar in thousands)

	Notes	For the three-month period ended March 31			
		Korean won		Translation into U.S. dollar (Note 2)	
		2025	2024	2025	2024
Cash flows from operating activities:					
Profit for the period		₩ 3,590,712	₩ 725,252	\$ 2,448,491	\$ 494,546
Non-cash adjustments	36	2,089,766	2,959,346	1,425,002	2,017,965
Working capital adjustments	36	(4,908,879)	(1,803,565)	(3,347,343)	(1,229,843)
Interest received		188,736	220,476	128,698	150,342
Interest paid		(890,691)	(976,466)	(607,358)	(665,848)
Dividends received		171,253	43,947	116,777	29,967
Income tax paid		(448,642)	(103,942)	(305,927)	(70,878)
Net cash provided by (used in) operating activities		(207,745)	1,065,048	(141,660)	726,251
Cash flows from investing activities:					
Increase in short-term financial instruments, net		(527,506)	(46,977)	(359,704)	(32,033)
Increase in long-term financial instruments, net		(1,388)	(27,124)	(946)	(18,496)
Decrease in long-term financial instruments, net		1,048	41	715	28
Decrease (increase) in short-term loans, net		(34,163)	21,063	(23,296)	14,363
Increase in long-term loans, net		(21,515)	(98,194)	(14,671)	(66,958)
Increase in short-term investment securities, net		(33,874)	(6,797)	(23,099)	(4,635)
Proceeds from disposal of long-term investment securities		110,341	44,704	75,241	30,483
Proceeds from disposal of investments in associates and joint ventures		126,956	94,742	86,571	64,604
Proceeds from disposal of property, plant and equipment		91,365	34,439	62,301	23,484
Proceeds from disposal of intangible assets		25,426	29,227	17,338	19,930
Proceeds from disposal of assets held for sale		3,036,130	1,074	2,070,324	732
Acquisition of long-term investment securities		(86,812)	(64,046)	(59,197)	(43,673)
Acquisition of investments in associates and joint ventures		(65,691)	(481,245)	(44,794)	(328,159)
Acquisition of property, plant and equipment		(3,191,675)	(3,231,306)	(2,176,389)	(2,203,414)
Acquisition of intangible assets		(83,447)	(86,720)	(56,902)	(59,134)
Decrease in cash from changes in the scope of consolidation, net		(30,153)	(6,080)	(20,561)	(4,146)
Others, net		497,402	676,446	339,176	461,266
Net cash used in investing activities		(187,556)	(3,146,753)	(127,893)	(2,145,758)
Cash flows from financing activities:					
Increase (decrease) in short-term borrowings, net		(2,323,880)	937,925	(1,584,644)	639,567
Increase in bonds and borrowings		10,999,944	7,172,282	7,500,814	4,890,748
Decrease in bonds and borrowings		(3,620,364)	(4,266,300)	(2,468,711)	(2,909,171)
Decrease in long-term other payables		(369,150)	(376,735)	(251,722)	(256,894)
Decrease in lease liabilities		(249,897)	(276,251)	(170,404)	(188,374)
Payment of dividends		(60,746)	(22,210)	(41,422)	(15,145)
Cash inflows (outflows) from consolidated capital transaction		(2,848,321)	623,070	(1,942,258)	424,869
Others, net		90,149	195,777	61,472	133,499
Net cash provided by financing activities		1,617,735	3,987,558	1,103,125	2,719,099
Net increase in cash and cash equivalents		1,222,434	1,905,853	833,572	1,299,592
Net foreign exchange effects		(57,255)	298,214	(39,042)	203,351
Cash and cash equivalents included in assets held for sale		30,780	28,730	20,989	19,591
Cash and cash equivalents at the beginning of the period		24,647,042	22,683,670	16,806,711	15,467,896
Cash and cash equivalents at the end of the period		₩ 25,843,001	₩ 24,916,467	\$ 17,622,230	\$ 16,990,430

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

1. Corporate information

(1) Parent Company

SK Inc. (the “Company” or “Parent Company”) was established on April 13, 1991 as the parent company of K-IFRS No. 1110 and has been engaged in consulting and research services related to the information and communications business, R&D in ICT, and the development, production, and sale of ICT devices and software, and is headquartered at 26, Jong-ro, Jongno-gu, Seoul. The Company’s ordinary shares have been listed on the Korea Exchange since November 11, 2009.

Upon the acquisition of SK Inc. by SK C&C Co., Ltd. effective on August 1, 2015, the Company added the investment business to its existing operations for the purpose of holding the securities of its subsidiaries. Furthermore, the Company changed its name from SK C&C Co., Ltd. to SK Inc. as of the acquisition date.

As of March 31, 2025, the issued capital of the Company amounts to ₩16,143 million (including ₩113 million in preferred shares). Major shareholders and their equity ownership are Tae-won Chey, National Pension Service and Ki-won Choi each holding 17.90%, 7.55%, and 6.65%, respectively, as of March 31, 2025.

(2) Changes in consolidated subsidiaries

1) Changes in the consolidated subsidiaries for the three-month period ended March 31, 2025 are as follows (In number of companies):

December 31, 2024	Inclusion	Exclusion	March 31, 2025
649	10	19	640

2) For the three-month period ended March 31, 2025, subsidiaries newly included in consolidation are as follows:

Subsidiaries	Reasons for changes
Earthon North Ketapang Pte. Ltd	Establishment (8 companies)
ISEMI Co., Ltd.	
KCE AZ 1, LLC	
KCE NM 2, LLC	
NAMUHX AMERICAS INC.	
WALEEWON 1ST CO., LTD.	
ELLEEDI 1ST CO., LTD.	
WALEEWON 2ND CO., LTD.	
TOPSUN POWER LIMITED	Acquisition (2 companies)
BOOM LOW FARM SOLAR LIMITED	

3) For the three-month period ended March 31, 2025, subsidiaries excluded from consolidation are as follows:

Subsidiaries	Reasons for changes
ROKMEDIA	Disposal (15 companies)
Iriver Enterprise Ltd.	
Iriver CHINA CO., LTD.	
DongGuan Iriver Electronics Co., Ltd	
Nate Communications Co., Ltd.	
SK M & Service Co., Ltd.	
SK Specialty Co., Ltd.	
Dangjin Haengbok Solar Co., Ltd.	
Happy Companion Co., Ltd.	
SK Specialty Shanghai Co., Ltd	

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

1. Corporate information (cont'd)

(2) Changes in consolidated subsidiaries (cont'd)

Subsidiaries	Reasons for changes
SK Specialty Taiwan Co., Ltd.	
SK Specialty Jiangsu Co., Ltd	
SK Specialty Xian Co., Ltd	
SK Specialty Japan Co., Ltd.	
SK MATERIALS JAPAN, INC.	
Fajar Energy International Pte. Ltd	Liquidation
Hua Lei Holdings Pte. Ltd.	(2 companies)
SK enterm Co., Ltd	Merger
Evertech Enterprise Co., LTD.	(2 companies)

(3) Disclosure of significant non-controlling interests in subsidiaries

Information about significant non-controlling interests in subsidiaries as of and for the three-month periods ended March 31, 2025 and December 31, 2024 is as follows (Korean won in millions):

	As of and for the three-month period ended March 31, 2025					
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK Ecoplant Co., Ltd.
Percentage of the non-controlling ownership	43.23%	69.15%	67.90%	49.93%	54.82%	36.26%
Current assets	₩ 37,621,185	₩ 7,675,417	₩ 2,733,160	₩ 1,977,056	₩ 1,558,167	₩ 7,452,277
Non-current assets	74,273,851	22,245,148	20,665,940	3,142,040	5,310,443	9,875,125
Current liabilities	38,079,502	8,730,622	1,251,170	1,966,363	2,426,338	9,690,434
Non-current liabilities	37,361,524	9,248,086	1,039,731	1,149,716	2,212,987	2,552,465
Net assets	36,454,010	11,941,857	21,108,199	2,003,017	2,229,285	5,084,503
Book value of the non-controlling interests	21,676,925	6,807,785	14,459,879	966,875	1,755,203	2,376,649
Sales	21,146,552	4,453,717	402,808	1,636,685	438,465	2,610,515
Net income (loss)	(125,617)	361,575	1,612,259	(5,383)	(117,827)	50,810
Other comprehensive net income (loss)	13,753	(16,787)	1,253	(5,734)	63,468	27,837
Total comprehensive income (loss)	(111,864)	344,788	1,613,512	(11,117)	(54,359)	78,647
Net income of the non- controlling interests	12,556	231,816	1,089,569	(3,703)	(70,071)	(2,695)
Total comprehensive income (loss) of the non-controlling interests	30,340	203,338	1,089,948	(7,175)	(35,944)	6,580
Net cash flows from operating activities	(855,482)	1,252,032	(73,264)	210,713	(173,062)	(475,221)
Net cash flows from investing activities	(1,736,412)	(463,684)	26,759	(4,997)	(103,806)	(137,534)
Net cash flows from financing activities	2,839,355	(515,649)	(101,801)	(243,206)	228,890	445,094
Net increase (decrease) in cash and cash equivalents	247,461	272,699	(148,306)	(37,490)	(47,978)	(167,661)
Dividends paid to the non-controlling interests	(55,796)	(4,950)	-	-	-	-

The aforementioned condensed financial information is consolidated financial information of each subsidiary and non-controlling interests include hybrid bonds and redeemable convertible preferred stock.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

1. Corporate information (cont'd)

(3) Disclosure of significant non-controlling interests in subsidiaries (cont'd)

	As of and for the year ended December 31, 2024					
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK Ecoplant Co., Ltd.
Percentage of the non-controlling ownership	43.23%	69.15%	68.13%	49.93%	54.82%	36.26%
Current assets	₩ 36,318,432	₩ 7,476,682	₩ 2,702,773	₩ 2,006,679	₩ 1,520,452	₩ 7,047,862
Non-current assets	74,211,666	23,038,573	19,218,278	3,150,450	5,228,227	9,807,794
Current liabilities	37,725,576	9,224,278	1,396,345	1,964,539	2,211,035	9,470,151
Non-current liabilities	33,155,613	9,463,343	939,291	1,139,281	2,244,911	2,324,297
Net assets	39,648,909	11,827,634	19,585,415	2,053,309	2,292,733	5,061,208
Book value of the non-controlling interests	24,509,672	6,766,639	13,432,093	993,608	1,799,483	2,405,948
Sales	74,716,969	17,940,609	1,906,611	7,657,281	1,721,564	9,317,616
Net income (loss)	(2,372,483)	1,387,095	3,650,515	46,292	(455,056)	(95,856)
Other comprehensive net income (loss)	3,388,172	160,776	257,077	(37,528)	223,565	77,369
Total comprehensive income (loss)	1,015,689	1,547,871	3,907,592	8,764	(231,491)	(18,487)
Net income of the non- controlling interests	(1,375,375)	940,687	2,464,482	40,033	(227,160)	2,268
Total comprehensive income (loss) of the non-controlling interests	794,019	963,037	2,635,227	17,847	(100,940)	80,896
Net cash flows from operating activities	2,232,521	5,087,285	189,954	276,387	(199,715)	143,213
Net cash flows from investing activities	(7,295,310)	(2,711,827)	89,738	546,441	16,663	(12,422)
Net cash flows from financing activities	7,327,061	(1,809,853)	(200,713)	(737,534)	(2,061)	333,061
Net increase (decrease) in cash and cash equivalents	2,264,272	565,605	78,979	85,294	(185,113)	463,852
Dividends paid to the non-controlling interests	(313,664)	(571,851)	(2,388)	(31,172)	(2,616)	(55,934)

The aforementioned condensed financial information is consolidated financial information of each subsidiary and non-controlling interests include hybrid bonds and redeemable convertible preferred stock.

2. Summary of basis of preparation and material accounting policy information

(1) Basis of preparation

The Group prepares statutory condensed consolidated interim financial statements in Korean language in accordance with Korean International Financial Reporting Standards (“K-IFRS”) No. 1034 *Interim Financial Reporting* enacted by the Act on External Audit of Stock Companies. The accompanying condensed consolidated interim financial statements have been translated into English from the Korean language financial statements. In the event of any differences in interpreting the financial statements or the independent auditor’s review report thereon, the Korean version, which is used for regulatory reporting purposes, shall prevail.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as of December 31, 2024.

The accompanying condensed consolidated interim financial statements are stated in Korean won, the currency of the country in which the Group is incorporated and operates. The translation of Korean won amounts into U.S. dollar amounts is included solely for the convenience of readers of the condensed consolidated interim financial statements and has been made at the rate of ₩1,466.50 to USD 1.00, the basic exchange rate in the Seoul Money Brokerage Service for cable transfers in Korean won on the last business day of the three-month period ended March 31, 2025. Such translations into U.S. dollars should not be construed as representations that the Korean won amounts could be converted into U.S. dollars at that or any other rate.

(2) Material accounting policy information

The material accounting policy information used for the preparation of the accompanying the condensed consolidated interim financial statements as of and for the three-month period ended March 31, 2025, is the same as the accounting policy information adopted for the preparation of consolidated financial statements as of and for the year ended December 31, 2024, except for adoption of new and revised K-IFRSs applied in the current period, which are summarized below.

1) New and amended standards and interpretations

The Group has applied amendments to K-IFRS issued that are mandatorily effective for accounting periods beginning on or after January 1, 2025.

Amendments to K-IFRS No. 1021 *The Effects of Changes in Foreign Exchange Rates* and K-IFRS No. 1101 *First-time Adoption of K-IFRS*

When an entity estimates a spot exchange rate due to a lack of exchangeability between two currencies, it shall disclose relevant information. The amendments do not have a significant impact on the consolidated financial statements.

2. Summary of basis of preparation and material accounting policy information (cont'd)

(2) Material accounting policy information (cont'd)

2) New and amended K-IFRSs issued but not yet effective

The new and amended K-IFRSs that are issued, but not yet effective, as of March 31, 2025 are disclosed below.

Amendments to K-IFRS No. 1109 *Financial Instruments*, K-IFRS No. 1107 *Financial Instruments: Disclosures*

K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 *Financial Instruments: Disclosures* have been amended to address recent questions raised in practice, and to include new requirements. The amendments are effective for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group is reviewing the potential impact of these amendments on the consolidated financial statements. The key amendments are as follows:

- Clarify the recognition and derecognition dates of certain financial assets and liabilities, with a new exception for specific financial liabilities settled through an electronic cash transfer system;
- Clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Introduce new disclosures requirements regarding the impact on the entity and the extent to of its exposure for each type of financial instrument when the timing or amount of contractual cash flows changes due to amendment of contract terms; and
- Update disclosures requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

Annual Improvements to K-IFRS Volume 11

Annual Improvements to K-IFRS *Volume 11* should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The Group is reviewing the impact of these amendments on the consolidated financial statements.

- K-IFRS No. 1101 'First-time Adoption of K-IFRS': Application of hedge accounting upon first-time adoption of K-IFRS.
- K-IFRS No. 1107 'Financial Instruments: Disclosures': Recognition of derecognition gains or losses and implementation guidance.
- K-IFRS No. 1109 'Financial Instruments': Accounting for derecognition of lease liabilities and definition of transaction price.
- K-IFRS No. 1110 'Consolidated Financial Statements': Determination of a de facto agent.
- K-IFRS No. 1007 'Statement of Cash Flows': Application of the cost method.

The Group is currently assessing the impact the above-listed amendments will have on the consolidated financial statements.

3. Significant accounting judgments, estimates and assumptions

When preparing the condensed consolidated interim financial statements, management is required to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. Actual results may be different from those estimates.

Those accounting judgments made by management in the preparation of the condensed consolidated interim financial statements for the three-month period ended March 31, 2025, are consistent with those followed in the preparation of consolidated financial statements for the year ended December 31, 2024.

4. Operating segments

(1) Overview of operating segments

The Group makes decisions on resources to be allocated to business segments and identifies reportable segments based on the internal reports which the chief operating decision maker periodically reviews to evaluate the performances of the sales segments. Details of segment operations of each segment are as follows:

Operating segments	Businesses
SK Innovation Co., Ltd.	Petroleum refining, chemical, lubricating oil, battery, resources development and gas and energy
SK Telecom Co., Ltd.	Wireless and wired telecommunication
SK Square Co., Ltd.	Semiconductor and New ICT
SK Networks Co., Ltd.	Information communication, rental and trade
SKC Co., Ltd.	Chemical, Electronic Materials and mobility material
SK Ecoplant Co., Ltd.	Construction and eco-friendly business
Others	IT services, special gas manufacturing and sale, medicine and life science and others

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

4. Operating segments (cont'd)

(2) Details of financial information for each operating segment as of and for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	As of and for the three-month period ended March 31, 2025				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 21,317,331	₩ 4,453,717	₩ 2,117,820	₩ 1,636,685	₩ 438,464
Internal sales	(229,008)	(29,544)	(1,791,117)	(284,071)	(35,258)
Net sales and other operating income	21,088,323	4,424,173	326,703	1,352,614	403,206
Net Income (loss)	(125,617)	361,575	1,612,258	(5,383)	(117,827)
Total assets	111,895,036	29,920,565	23,399,100	5,119,096	6,868,610
Total liabilities	75,441,026	17,978,708	2,290,901	3,116,079	4,639,325
Depreciation	710,576	696,297	14,607	35,608	35,650
Amortization	85,675	200,665	8,353	5,782	10,709

	As of and for the three-month period ended March 31, 2025			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
Sales and other operating income	₩ 2,610,514	₩ 2,107,993	₩ (3,281,812)	₩ 31,400,712
Internal sales	(111,364)	(801,450)	3,281,812	-
Net sales and other operating income	2,499,150	1,306,543	-	31,400,712
Net Income (loss)	50,810	1,817,093	(2,197)	3,590,712
Total assets	17,327,401	54,083,562	(30,873,896)	217,739,474
Total liabilities	12,242,899	23,614,852	(1,413,446)	137,910,344
Depreciation	49,050	117,613	33,458	1,692,859
Amortization	41,732	24,015	58,918	435,849

	As of and for the three-month period ended March 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 18,893,678	₩ 4,474,611	₩ 867,672	₩ 2,075,576	₩ 398,828
Internal sales	(258,034)	(63,376)	(502,299)	(321,470)	(38,265)
Net sales and other operating income	18,635,644	4,411,235	365,373	1,754,106	360,563
Net Income (loss)	(97,623)	361,940	333,285	7,307	(27,993)
Total assets	86,384,116	30,296,511	18,278,395	9,793,564	7,127,773
Total liabilities	55,061,751	17,843,529	2,064,148	7,670,238	4,551,352
Depreciation	479,244	719,474	15,275	177,093	32,683
Amortization	83,473	212,048	10,480	9,053	11,321

	As of and for the three-month period ended March 31, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
Sales and other operating income	₩ 3,569,273	₩ 2,063,074	₩ 2,898,042	₩ (2,769,360)	₩ 32,471,394
Internal sales	(128,192)	(161,828)	(1,295,896)	2,769,360	-
Net sales and other operating income	3,441,081	1,901,246	1,602,146	-	32,471,394
Net Income (loss)	268,273	43,114	594,157	(757,208)	725,252
Total assets	19,321,967	15,424,081	65,398,516	(35,919,261)	216,105,662
Total liabilities	11,933,985	10,957,858	27,349,441	(1,375,408)	136,056,894
Depreciation	135,783	41,012	201,722	(18,785)	1,783,501
Amortization	6,637	33,990	30,301	69,176	466,479

(*1) Sales and other operating income of SK Square Co., Ltd. include equity in earnings of investment in associates.

(*2) Consolidation adjustments of the Parent Company, excluding consolidation adjustments of each subsidiary.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

4. Operating segments (cont'd)

(3) Details of financial information by geographical location as of and for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	As of and for the three-month period ended March 31, 2025						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 39,056,677	₩ 12,147,045	₩ 2,800,260	₩ 4,300,430	₩ 8,089	₩ (26,911,789)	₩ 31,400,712
Operating profit (loss)	3,771,568	(29,545)	34,047	(109,585)	(8,921)	(3,257,783)	399,781
Profit (loss) from continuing operating before income tax expense	3,674,016	(52,955)	37,542	(190,985)	(14,135)	(1,811,108)	1,642,375
Profit (loss) for the period from continuing operations	3,760,419	(75,122)	33,857	(200,016)	(14,145)	(1,780,158)	1,724,835
Total assets	233,211,643	28,145,470	16,482,077	61,430,458	3,801,826	(125,332,000)	217,739,474
Total liabilities	113,675,715	10,480,466	8,510,854	25,866,981	1,261,136	(21,884,808)	137,910,344

	As of and for the three-month period ended March 31, 2024						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 41,014,979	₩ 13,165,850	₩ 2,165,469	₩ 3,946,208	₩ 9,586	₩ (27,830,698)	₩ 32,471,394
Operating profit (loss)	2,838,641	100,621	28,077	(347,931)	(4,920)	(1,145,429)	1,469,059
Profit (loss) from continuing operating before income tax expense	2,550,993	161,625	(6,872)	(484,992)	(3,850)	(1,119,337)	1,097,567
Profit (loss) for the period from continuing operations	2,334,040	128,720	(12,306)	(474,250)	(10,338)	(1,356,957)	608,909
Total assets	223,403,734	29,381,821	15,601,218	53,975,307	2,894,989	(109,151,407)	216,105,662
Total liabilities	116,030,246	11,956,622	8,259,739	16,792,936	709,755	(17,692,404)	136,056,894

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

4. Operating segments (cont'd)

(4) Details of financial information by revenue from contracts with customers for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 21,317,331	₩ 4,453,717	₩ 2,117,820	₩ 1,636,685	₩ 438,464
2. Revenue from contracts with customers	20,879,683	4,453,717	402,808	1,514,430	437,202
Categories:					
Service sales	37,442	4,050,843	266,837	181,444	-
Finished goods sales	17,734,588	-	7,306	12,318	412,244
Merchandise sales	2,728,722	286,634	56,208	1,316,641	11,216
Other sales	378,931	116,240	72,457	4,027	13,742
	20,879,683	4,453,717	402,808	1,514,430	437,202
Timing of revenue recognition:					
Recognition at a point in time	20,846,534	375,625	148,498	1,332,985	431,551
Recognition over a period of time	33,149	4,078,092	254,310	181,445	5,651
	20,879,683	4,453,717	402,808	1,514,430	437,202
3. Revenue from other sources	266,869	-	1,715,012	122,255	1,262
4. Other operating income (*3)	170,779	-	-	-	-

	For the three-month period ended March 31, 2025			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 2,610,514	₩ 2,107,993	₩ (3,281,812)	₩ 31,400,712
2. Revenue from contracts with customers	2,601,681	2,323,410	(1,437,823)	31,175,108
Categories:				
Service sales	2,024,928	940,883	(646,054)	6,856,323
Finished goods sales	-	1,330,810	(440,182)	19,057,084
Merchandise sales	548,046	(215,277)	(281,261)	4,450,929
Other sales	28,707	266,994	(70,326)	810,772
	2,601,681	2,323,410	(1,437,823)	31,175,108
Timing of revenue recognition:				
Recognition at a point in time	539,213	1,436,148	(791,769)	24,318,785
Recognition over a period of time	2,062,468	887,262	(646,054)	6,856,323
	2,601,681	2,323,410	(1,437,823)	31,175,108
3. Revenue from other sources	8,833	(215,417)	(1,843,989)	54,825
4. Other operating income (*3)	-	-	-	170,779

(*1) Sales and other operating income of SK Square Co., Ltd include equity in earnings of investment in associates.

(*2) Consolidation adjustments of the Parent Company, excluding consolidation adjustments of each subsidiary.

(*3) SK Innovation Co., Ltd., a subsidiary, is subject to tax credits for battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit System of the U.S. Inflation Reduction Act, which takes effect on January 1, 2023. Companies subject to the Advanced Manufacturing Production Tax Credit can choose to directly receive the remaining amount after deducting the amount of tax credit under the law or when the amount of tax paid exists (hereinafter referred to as the "cash receipt method"), and the amount is expected to be received as of the current year as SK Innovation Co., Ltd. chooses the cash receipt method.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

4. Operating segments (cont'd)

	For the three-month period ended March 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 18,893,678	₩ 4,474,611	₩ 867,672	₩ 2,075,576	₩ 398,828
2. Revenue from contracts with customers	18,727,372	4,474,611	498,278	1,711,144	398,083
Categories:					
Service sales	90,296	4,046,725	305,482	172,811	-
Finished goods sales	17,819,144	-	8,712	16,991	376,704
Merchandise sales	447,838	295,807	103,045	1,516,445	6,970
Other sales	370,094	132,079	81,039	4,897	14,409
	18,727,372	4,474,611	498,278	1,711,144	398,083
Timing of revenue recognition:					
Recognition at a point in time	18,628,996	406,846	207,210	1,538,333	391,207
Recognition over a period of time	98,376	4,067,765	291,068	172,811	6,876
	18,727,372	4,474,611	498,278	1,711,144	398,083
3. Revenue from other sources	127,767	-	369,394	364,432	745
4. Other operating income (*3)	38,539	-	-	-	-

	For the three-month period ended March 31, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 3,569,273	₩ 2,063,074	₩ 2,898,042	₩ (2,769,360)	₩ 32,471,394
2. Revenue from contracts with customers	3,568,765	2,051,832	2,642,304	(1,723,079)	32,349,310
Categories:					
Service sales	458	2,019,210	1,255,752	(814,119)	7,076,615
Finished goods sales	1,401,507	-	1,129,113	(445,484)	20,306,687
Merchandise sales	2,124,646	20,633	202,258	(434,876)	4,282,766
Other sales	42,154	11,989	55,181	(28,600)	683,242
	3,568,765	2,051,832	2,642,304	(1,723,079)	32,349,310
Timing of revenue recognition:					
Recognition at a point in time	325,654	9,391	1,431,365	2,333,693	25,272,695
Recognition over a period of time	3,243,111	2,042,441	1,210,939	(4,056,772)	7,076,615
	3,568,765	2,051,832	2,642,304	(1,723,079)	32,349,310
3. Revenue from other sources	508	11,242	255,737	(1,046,280)	83,545
4. Other operating income (*3)	-	-	-	-	38,539

(*1) Sales and other operating income of SK Square Co., Ltd include equity in earnings of investment in associates.

(*2) Consolidation adjustments of the Parent Company, excluding consolidation adjustments of each subsidiary.

(*3) SK Innovation Co., Ltd., a subsidiary, is subject to tax credits for battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit System of the U.S. Inflation Reduction Act, which takes effect on January 1, 2023. Companies subject to the Advanced Manufacturing Production Tax Credit can choose to directly receive the remaining amount after deducting the amount of tax credit under the law or when the amount of tax paid exists (hereinafter referred to as the "cash receipt method"), and the amount is expected to be received as of the current year as SK Innovation Co., Ltd. chooses the cash receipt method.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

5. Financial instruments

(1) Financial assets

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

	March 31, 2025				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 9,776,373	₩ -	₩ 16,066,628	₩ -	₩ 25,843,001
Short-term financial instruments	387,057	-	2,923,446	-	3,310,503
Trade receivables (*1)	81,018	198,195	12,751,348	-	13,030,561
Other receivables (*2)	244,202	-	2,345,968	-	2,590,170
Short-term loans	-	-	163,797	-	163,797
Accrued income	-	-	291,882	-	291,882
Short-term investment securities	52,674	-	257	-	52,931
Guarantee deposits	-	-	466,103	-	466,103
Derivative financial assets	771,384	-	-	169,086	940,470
Lease receivables	-	-	33,772	-	33,772
	<u>₩ 11,312,708</u>	<u>₩ 198,195</u>	<u>₩ 35,043,201</u>	<u>₩ 169,086</u>	<u>₩ 46,723,190</u>
Non-current assets:					
Long-term financial instruments	₩ 2,401	₩ -	₩ 49,585	₩ -	₩ 51,986
Long-term trade receivables	-	-	619,267	-	619,267
Long-term other receivables	-	-	279,656	-	279,656
Long-term loans	-	-	789,828	-	789,828
Long-term accrued income	-	-	28,338	-	28,338
Long-term investment securities	1,598,765	5,174,444	772	-	6,773,981
Long-term guarantee deposits	-	-	573,543	-	573,543
Derivative financial assets	372,820	-	-	518,457	891,277
Lease receivables	-	-	52,760	-	52,760
	<u>₩ 1,973,986</u>	<u>₩ 5,174,444</u>	<u>₩ 2,393,749</u>	<u>₩ 518,457</u>	<u>₩ 10,060,636</u>
	<u>₩ 13,286,694</u>	<u>₩ 5,372,639</u>	<u>₩ 37,436,950</u>	<u>₩ 687,543</u>	<u>₩ 56,783,826</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,300,390 million as of March 31, 2025 are not included in the financial assets.

(*2) Employees and tax related amounts are excluded.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

5. Financial instruments (cont'd)

(1) Financial assets (cont'd)

	December 31, 2024				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 6,251,723	₩ -	₩ 18,395,319	₩ -	₩ 24,647,042
Short-term financial instruments	516,226	-	2,275,542	-	2,791,768
Trade receivables (*1)	113,824	252,781	12,075,172	-	12,441,777
Other receivables (*2)	223,761	-	2,047,406	-	2,271,167
Short-term loans	-	-	127,820	-	127,820
Accrued income	-	-	206,764	-	206,764
Short-term investment securities	12,572	-	562	-	13,134
Guarantee deposits	-	-	473,832	-	473,832
Derivative financial assets	1,197,054	-	-	207,084	1,404,138
Lease receivables	-	-	33,362	-	33,362
	<u>₩ 8,315,160</u>	<u>₩ 252,781</u>	<u>₩ 35,635,779</u>	<u>₩ 207,084</u>	<u>₩ 44,410,804</u>
Non-current assets:					
Long-term financial instruments	₩ 2,393	₩ -	₩ 49,453	₩ -	₩ 51,846
Long-term trade receivables	-	-	601,685	-	601,685
Long-term other receivables	-	-	284,689	-	284,689
Long-term loans	-	-	783,618	-	783,618
Long-term accrued income	-	-	28,097	-	28,097
Long-term investment securities	1,672,401	5,050,076	780	-	6,723,257
Long-term guarantee deposits	-	-	573,206	-	573,206
Derivative financial assets	395,109	-	-	534,516	929,625
Lease receivables	-	-	61,441	-	61,441
	<u>₩ 2,069,903</u>	<u>₩ 5,050,076</u>	<u>₩ 2,382,969</u>	<u>₩ 534,516</u>	<u>₩ 10,037,464</u>
	<u>₩ 10,385,063</u>	<u>₩ 5,302,857</u>	<u>₩ 38,018,748</u>	<u>₩ 741,600</u>	<u>₩ 54,448,268</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,012,595 million as of December 31, 2024 are not included in the financial assets.

(*2) Employees and tax related amounts are excluded.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

5. Financial instruments (cont'd)

(2) Financial liabilities

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

	March 31, 2025				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 17,311,582	₩ -	₩ -	₩ 17,311,582
Trade payables	59,280	12,425,280	-	-	12,484,560
Other payables (*1)	15,986	9,879,311	-	-	9,895,297
Current portion of long-term debt	-	16,329,803	-	-	16,329,803
Accrued expenses (*1)	-	3,244,847	-	-	3,244,847
Dividends payable	-	742,128	-	-	742,128
Deposits received	-	51,990	-	-	51,990
Leasehold deposits received	-	949,261	-	-	949,261
Derivative financial liabilities	619,663	-	65,508	-	685,171
Lease liabilities	-	-	-	1,082,892	1,082,892
Finance guarantee liabilities	-	-	-	24,580	24,580
Financial liabilities at fair value through profit or loss	315,194	-	-	-	315,194
Advances received	-	66,065	-	-	66,065
Other current liabilities (*2)	256,569	-	-	-	256,569
	<u>₩ 1,266,692</u>	<u>₩ 61,000,267</u>	<u>₩ 65,508</u>	<u>₩ 1,107,472</u>	<u>₩ 63,439,939</u>
Non-current liabilities:					
Bonds and long-term borrowings	₩ -	₩ 53,349,707	₩ -	₩ -	₩ 53,349,707
Long-term other payables (*1)	120,222	483,363	-	-	603,585
Long-term accrued expenses (*1)	-	2,718	-	-	2,718
Leasehold deposits received	-	102,676	-	-	102,676
Derivative financial liabilities	971,171	-	28,266	-	999,437
Long-term lease liabilities	-	-	-	4,131,793	4,131,793
Financial liabilities at fair value through profit or loss	765,561	-	-	-	765,561
	<u>₩ 1,856,954</u>	<u>₩ 53,938,464</u>	<u>₩ 28,266</u>	<u>₩ 4,131,793</u>	<u>₩ 59,955,477</u>
	<u>₩ 3,123,646</u>	<u>₩ 114,938,731</u>	<u>₩ 93,774</u>	<u>₩ 5,239,265</u>	<u>₩ 123,395,416</u>

(*1) The amount of accrued liabilities under the employee benefit system and stock option was excluded as it is not subject to financial instruments disclosure.

(*2) The redeemable convertible preferred shares were issued by the subsidiary, Econovation, LLC, and the consolidated entity has entered into an agreement with Blooming Green Energy, the purchaser of the shares. Under the terms of the agreement, once certain conditions are met after March 24, 2025, and Blooming Green Energy becomes able to dispose of the corresponding equity interest it holds, it may exercise the redemption right on the redeemable convertible preferred shares. As a result, there is a risk that the liability could be redeemed within 12 months after the reporting period.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

5. Financial instruments (cont'd)

(2) Financial liabilities (cont'd)

	December 31, 2024				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 20,002,596	₩ -	₩ -	₩ 20,002,596
Trade payables	121,394	12,631,536	-	-	12,752,930
Other payables (*1)	13,891	10,064,005	-	-	10,077,896
Current portion of long-term debt	-	14,788,886	-	-	14,788,886
Accrued expenses (*1)	-	3,212,357	-	-	3,212,357
Dividends payable	-	1,382	-	-	1,382
Deposits received	-	50,350	-	-	50,350
Leasehold deposits received	-	938,005	-	-	938,005
Derivative financial liabilities	590,936	-	132,715	-	723,651
Lease liabilities	-	-	-	1,082,184	1,082,184
Finance guarantee liabilities	-	-	-	31,425	31,425
Financial liabilities at fair value through profit or loss	65,697	-	-	-	65,697
Advances received	-	66,065	-	-	66,065
	<u>₩ 791,918</u>	<u>₩ 61,755,182</u>	<u>₩ 132,715</u>	<u>₩ 1,113,609</u>	<u>₩ 63,793,424</u>
Non-current liabilities:					
Bonds and long-term borrowings	₩ -	₩ 48,073,129	₩ -	₩ -	₩ 48,073,129
Long-term other payables (*1)	103,783	852,587	-	-	956,370
Long-term accrued expenses (*1)	-	1,237	-	-	1,237
Leasehold deposits received	-	92,953	-	-	92,953
Derivative financial liabilities	1,064,623	-	17,599	-	1,082,222
Long-term lease liabilities	-	-	-	4,161,502	4,161,502
Financial liabilities at fair value through profit or loss	1,022,237	-	-	-	1,022,237
Other non-current liabilities (*2)	253,701	-	-	-	253,701
	<u>₩ 2,444,344</u>	<u>₩ 49,019,906</u>	<u>₩ 17,599</u>	<u>₩ 4,161,502</u>	<u>₩ 55,643,351</u>
	<u>₩ 3,236,262</u>	<u>₩ 110,775,088</u>	<u>₩ 150,314</u>	<u>₩ 5,275,111</u>	<u>₩ 119,436,775</u>

(*1) The amount of accrued liabilities under the employee benefit system and stock option was excluded as it is not subject to financial instruments disclosure.

(*2) The redeemable convertible preferred shares were issued by the subsidiary, Econovation, LLC, and the consolidated entity has entered into an agreement with Blooming Green Energy, the purchaser of the shares. Under the terms of the agreement, once certain conditions are met after March 24, 2025, and Blooming Green Energy becomes able to dispose of the corresponding equity interest it holds, it may exercise the redemption right on the redeemable convertible preferred shares. As a result, there is a risk that the liability could be redeemed within 12 months after the reporting period.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

5. Financial instruments (cont'd)

(3) Fair values of financial instruments by hierarchy level

1) Fair values and book values of financial instruments that are not measured at fair value as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025		December 31, 2024	
	Book value	Fair value	Book value	Fair value
Bonds	₩ 34,780,656	₩ 35,169,438	₩ 33,965,304	₩ 34,112,560
Borrowings	52,210,436	52,386,067	48,899,307	48,432,111

The fair value of bonds and borrowings is calculated as the present value of contractual cash flows discounted at a market interest rate, which reflects the remaining risk, with discount rates ranging from 1.00% to 6.63%. For financial assets and liabilities measured at amortized cost, the carrying amount is a reasonable approximation of fair value, and thus, separate fair value disclosures have been omitted.

2) The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique. The level of hierarchy of fair value is as follows:

Classification	Significance of input variables
Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2	Valuation techniques using observable inputs other than quoted prices included in Level 1, either directly or indirectly
Level 3	Valuation techniques using unobservable inputs for the asset or liability

Details of fair values of financial instruments by hierarchy level as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL	₩ 12,142,490	₩ 107,546	₩ 10,524,570	₩ 1,510,374	₩ 12,142,490
Financial assets measured at FVOCI	5,372,640	1,921,567	702,693	2,748,380	5,372,640
Derivative financial assets	1,831,747	6,474	901,882	923,391	1,831,747
	<u>₩ 19,346,877</u>	<u>₩ 2,035,587</u>	<u>₩ 12,129,145</u>	<u>₩ 5,182,145</u>	<u>₩ 19,346,877</u>
Financial liabilities:					
Financial liabilities measured at FVTPL	₩ 1,532,812	₩ -	₩ 321,842	₩ 1,210,970	₩ 1,532,812
Derivative financial liabilities	1,684,608	-	201,157	1,483,451	1,684,608
	<u>₩ 3,217,420</u>	<u>₩ -</u>	<u>₩ 522,999</u>	<u>₩ 2,694,421</u>	<u>₩ 3,217,420</u>
December 31, 2024					
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL	₩ 8,792,900	₩ 200,844	₩ 7,088,987	₩ 1,503,069	₩ 8,792,900
Financial assets measured at FVOCI	5,302,857	2,420,342	248,178	2,634,337	5,302,857
Derivative financial assets	2,333,763	5,991	1,046,400	1,281,372	2,333,763
	<u>₩ 16,429,520</u>	<u>₩ 2,627,177</u>	<u>₩ 8,383,565</u>	<u>₩ 5,418,778</u>	<u>₩ 16,429,520</u>
Financial liabilities:					
Financial liabilities measured at FVTPL	₩ 1,580,703	₩ -	₩ 376,867	₩ 1,203,836	₩ 1,580,703
Derivative financial liabilities	1,805,873	-	263,571	1,542,302	1,805,873
	<u>₩ 3,386,576</u>	<u>₩ -</u>	<u>₩ 640,438</u>	<u>₩ 2,746,138</u>	<u>₩ 3,386,576</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

6. Trade and other receivables

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

	March 31, 2025			December 31, 2024		
	Gross amount	Allowance for doubtful accounts	Carrying amount	Gross amount	Allowance for doubtful accounts	Carrying amount
Trade receivables (*1)	₩ 14,740,865	₩ (409,913)	₩ 14,330,952	₩ 13,853,364	₩ (398,992)	₩ 13,454,372
Short-term loans	243,242	(79,445)	163,797	206,528	(78,708)	127,820
Other receivables	3,548,283	(101,006)	3,447,277	3,204,686	(90,164)	3,114,522
Accrued income	292,605	(723)	291,882	207,421	(657)	206,764
Short-term guarantee deposits	466,912	(809)	466,103	474,701	(869)	473,832
Short-term Lease receivables	33,772	-	33,772	33,362	-	33,362
Long-term trade receivables	763,816	(144,549)	619,267	743,590	(141,905)	601,685
Long-term loans	1,213,358	(423,530)	789,828	1,203,685	(420,067)	783,618
Long-term other receivables	291,256	(11,600)	279,656	296,055	(11,366)	284,689
Long-term accrued income	28,338	-	28,338	28,097	-	28,097
Long-term guarantee deposits	576,254	(2,711)	573,543	575,798	(2,592)	573,206
Long-term lease receivables	52,760	-	52,760	61,441	-	61,441
	₩ 22,251,461	₩ (1,174,286)	₩ 21,077,175	₩ 20,888,728	₩ (1,145,320)	₩ 19,743,408

(*1) Includes the net investment amount of the finance lease provided by the Group as a manufacturer or seller.

(2) Details of contract assets and liabilities related to the contract with the customer as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Contract assets: (*1)		
Construction business	₩ 1,193,828	₩ 894,187
Telecommunication business	135,226	136,737
Others	394,559	371,225
	₩ 1,723,613	₩ 1,402,149
	March 31, 2025	December 31, 2024
Contract liabilities: (*2)		
Construction business	₩ 1,288,724	₩ 1,365,867
Telecommunication business	263,587	229,706
City gas business	491,100	492,027
Others	1,098,197	1,031,335
	₩ 3,141,608	₩ 3,118,935

(*1) Contract assets are included in trade receivables and other assets.

(*2) Contract liabilities are included in advances received and other liabilities. The amount recognized as revenue for the three-month period ended March 31, 2025 in relation to the contract liabilities in the end of the prior period is ₩683,750 million.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

6. Trade and other receivables (cont'd)

(3) Details of construction profit variation by changes of accounting estimates related to construction contracts as of March 31, 2025 and 2024 are as follows (Korean won in millions):

		March 31, 2025			
		Change in estimated construction revenue	Change in estimated cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries		₩ 28,340	₩ 25,867	₩ (36,108)	₩ 38,581
Others		1,029	470	503	56
		₩ 29,369	₩ 26,337	₩ (35,605)	₩ 38,637

		March 31, 2024			
		Change in estimated construction revenue	Change in estimated cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries		₩ 184,620	₩ 98,385	₩ 37,767	₩ 48,468
Others		4,995	7,635	(2,542)	(98)
		₩ 189,615	₩ 106,020	₩ 35,225	₩ 48,370

Impact on profit (loss) of current and future period has been calculated by the estimated construction costs based on the situations which occurred from the inception of construction contracts to current reporting period and the estimated construction revenue as of current reporting period. Estimated construction costs and revenue can be changed in the future period.

(4) Details of the construction contracts where the contract revenue exceeds 5% of the preceding year's revenue under the percentage-of-completion method as of March 31, 2025 and 2024 are as follows (Korean won in millions):

		March 31, 2025						
		Contract date	Completion Date(*1)	Progress (%)	Unbilled receivables		Trade receivables (*2)	
Subsidiary	Project				Gross Amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.77	₩ -	₩ -	₩ -	₩ 60,012

		March 31, 2024						
		Contract date	Completion Date(*1)	Progress (%)	Unbilled receivables		Trade receivables (*2)	
Subsidiary	Project				Gross Amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.65	₩ -	₩ -	₩ -	₩ 60,012

(*1) It is the contractual or scheduled construction deadline for each project.

(*2) It is the balance of receivables excluding unbilled receivables.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

7. Inventories

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

	March 31, 2025			December 31, 2024		
	Valuation		Book value	Valuation		Book value
	Acquisition cost	allowance		Acquisition cost	allowance	
Merchandise	₩ 1,236,584	₩ (45,095)	₩ 1,191,489	₩ 1,086,899	₩ (40,913)	₩ 1,045,986
Finished goods	4,423,517	(311,587)	4,111,930	4,528,008	(272,117)	4,255,891
Semifinished goods and Work in progress	1,837,075	(155,118)	1,681,957	1,585,313	(142,767)	1,442,546
Raw materials and sub-materials	2,806,915	(151,229)	2,655,686	2,633,575	(116,710)	2,516,865
Materials in transit	3,104,064	(12,123)	3,091,941	3,266,695	(15,622)	3,251,073
Supplies	1,111,624	(12,705)	1,098,919	1,115,548	(12,130)	1,103,418
Uncompleted contracts	19,323	-	19,323	19,283	-	19,283
Others	10,918	(4,048)	6,870	7,464	(4,054)	3,410
	₩ 14,550,020	₩ (691,905)	₩ 13,858,115	₩ 14,242,785	₩ (604,313)	₩ 13,638,472

(2) Details of profit or loss recognized for the three-month periods ended March 31, 2025 and 2024 with regards to Inventories are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Loss (reversal) on valuation of inventories	₩ 87,592	₩ (185,908)

8. Investment securities

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

	March 31, 2025			
	Equity instruments		Debt instruments	
	Listed stocks	Unlisted stocks	Listed debt securities	Unlisted debt securities
Current assets				
Financial assets measured at FVTPL	₩ -	₩ -	₩ -	₩ 52,674
Financial assets measured at FVOCI (*1)	-	-	-	-
Financial assets measured at amortized cost	-	-	-	257
	₩ -	₩ -	₩ -	₩ 52,931
Non-current assets				
Financial assets measured at FVTPL	₩ 107,546	₩ 98,700	₩ -	₩ 1,392,519
Financial assets measured at FVOCI (*1)	2,077,449	3,096,944	-	51
Financial assets measured at amortized cost	-	-	-	772
	₩ 2,184,995	₩ 3,195,644	₩ -	₩ 1,393,342
	₩ 2,184,995	₩ 3,195,644	₩ -	₩ 1,446,273

(*1) The Group has applied the irrevocable option to designate the equity instruments held for strategic investment, not for short-term trading purposes, measured at FVOCI at the time of initial recognition.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

8. Investment securities (cont'd)

	December 31, 2024			
	Equity instruments		Debt instruments	
	Listed stocks	Unlisted stocks	Listed debt securities	Unlisted debt securities
Current assets				
Financial assets measured at FVTPL	₩	-	₩	-
Financial assets measured at FVOCI (*1)				12,572
Financial assets measured at amortized cost				-
	₩	-	₩	-
				562
	₩	-	₩	-
				13,134
Non-current assets				
Financial assets measured at FVTPL	₩	200,844	₩	92,712
Financial assets measured at FVOCI (*1)		2,420,342		2,629,683
Financial assets measured at amortized cost				-
	₩	2,621,186	₩	2,722,395
	₩	2,621,186	₩	2,722,395
				-
				780
	₩	2,621,186	₩	2,722,395
				-
				1,378,845
				51
				780
	₩	2,621,186	₩	2,722,395
				-
				1,379,676
	₩	2,621,186	₩	2,722,395
				-
				1,392,810

(*1) The Group has applied the irrevocable option to designate the equity instruments held for strategic investment, not for short-term trading purposes, measured at FVOCI at the time of initial recognition.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

9. Investments in joint ventures

(1) Details of investments in joint ventures as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	Domicile	Principal business activity	March 31, 2025		December 31, 2024		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	China	Chemical product manufacturing	35.0	₩ 813,801	35.0	₩ 819,375	December
Beijing BESK Technology Co., Ltd.	China	Battery manufacturing	49.0	131,971	49.0	135,789	December
Lunar Energy, Inc.	USA	Power Management Services	43.5	62,019	43.5	71,797	December
ZETA CAYMAN Limited	Cayman	Overseas investment	50.0	174,719	50.0	175,410	December
Ignis Therapeutics	Cayman	Pharmaceutical manufacturing	41.0	79,790	41.0	84,594	December
Eurasia Tunnel	Turkey	Construction	50.0	571,074	50.0	569,465	December
iParking Corp	Korea	Business support service	44.4	153,090	44.5	153,580	December
BORYEONG LNG TERMINAL CO., Ltd.	Korea	Energy	50.0	170,006	50.0	181,525	December
SABIC SK Nexlene Company Pte. Ltd.	Singapore	Investment	50.0	233,915	50.0	225,047	December
Korea Security Holdings Co., Ltd.	Korea	Holding company	32.0	857,904	32.0	865,223	December
Zhejiang SK energy Baoying Group Co., Ltd.	China	Asphalt business	49.0	108,554	49.0	109,094	December
HSAGP ENERGY LLC	USA	Investment	50.0	1,798,939	50.0	1,804,716	December
Other				574,996		533,193	December
				<u>₩ 5,730,778</u>		<u>₩ 5,728,808</u>	

All joint arrangements that the Group has joint control over are structured by a separate entity. The parties that have joint control with respect to the joint agreements hold the rights to the net assets of the agreements and accordingly, they are classified as joint ventures.

(2) Changes in carrying amount of investments in joint ventures for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment (reversal)	Others(*1)	Ending balance	
Joint ventures	₩ 5,728,808	₩ 46,946	₩ -	₩ (19,920)	₩ 1,682	₩ (19,821)	₩ -	₩ (6,917)	₩ 5,730,778	
	For the three-month period ended March 31, 2024									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment (reversal)	Others(*1)	Ending balance	
Joint ventures	₩ 4,829,078	₩ 377,124	₩ (211)	₩ (49,746)	₩ 39,250	₩ (11,148)	₩ -	₩ 63,493	₩ 5,247,840	

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

10. Investments in associates

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

	Domicile	Principal Business activity	March 31, 2025		December 31, 2024		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
SK hynix Inc. (*1)	Korea	Semiconductor	20.1	₩ 17,581,179	20.1	₩ 16,039,588	December
Eureka Midstream Holdings	USA	Resource development	40.0	627,243	40.0	624,675	December
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	Investment	8.6	264,915	8.6	265,546	December
Darwin LNG Pty Ltd.	Australia	Wholesale, import and export of LNG gas and other	25.0	498,694	25.0	502,965	December
The CrownX Corporation (*2)	Vietnam	Holding company	4.9	366,456	4.9	367,331	December
FR BR Aggregator	USA	Resource development	37.4	249,114	37.4	250,035	December
Huizhou EVE United Energy Co., Ltd.	China	Battery Manufacturing	49.0	450,428	49.0	589,469	December
Daehan Oil Pipeline Corporation	Korea	Pipeline transportation	41.0	319,390	41.0	330,706	December
NHIP II Bison Holdings, LLC	USA	Resource development	24.4	346,093	24.4	306,660	December
Canakkale Highway And Bridge	Turkey	Construction	25.0	488,714	25.0	446,884	December
Korea IT Fund (*3)	Korea	Investment	63.3	363,323	63.3	363,138	December
Content Wavve Corp.	Korea	Broadcasting	40.5	57,459	40.5	59,744	December
Best Oil Company Ltd.	Myanmar	Oil product trading and distribution	35.0	203,851	35.0	188,564	September
TBM Co., Ltd. (*2)	Japan	Manufacturing	13.2	92,989	13.3	92,473	December
ENN (Zhoushan) LNG Co., Ltd. (*2)	China	Energy	10.0	182,708	10.0	178,419	December
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	Laos	Hydropower generation	26.0	148,959	26.0	148,379	December
BLOOMENERGY CORPORATION (*2)	USA	Other power generation	10.2	634,803	10.5	605,762	December
TERRAPOWER, LLC (*2)	USA	Small nuclear reactor	11.7	265,750	11.7	266,388	December
Londian Wason New Energy Tech. Inc.	Cayman	EV charger manufacturing	29.6	496,433	29.6	504,877	December
CENVIRO SDN. BHD.	Malaysia	Recycling and recovery	30.0	165,568	30.0	177,154	December
Goseong Green Power Co., Ltd. (*2)	Korea	Thermal power generation	10.0	117,569	10.0	117,813	December
ChangZhou BTR New Material Technology Co., Ltd.	China	New energy	25.0	125,628	25.0	122,188	December
Nexxon	UK	Investment	21.3	111,122	21.3	113,479	December
Amogy Inc. (*2)	USA	Fuel cell	15.3	88,904	15.3	95,619	December
Daeshin Core Growth Investment Fund	Korea	Investment	41.2	109,033	41.2	101,426	December
GREEN OLEOS CO., LTD.	Korea	Investment	40.0	105,211	40.0	105,299	December
REBELLIONS INC.	Korea	Non-memory and other electronic integrated circuits manufacturing	40.5	292,006	40.5	298,327	December
SK REIT Co., Ltd.	Korea	Real estate development and trading	31.7	382,322	32.1	387,430	March, June, September, December
Other				<u>1,664,267</u>		<u>1,729,287</u>	
				<u>₩ 26,800,131</u>		<u>₩ 25,379,625</u>	

(*1) Equity ownership includes indirect investments held by the consolidated subsidiaries.

(*2) The Group retains significant influence over the associate despite holding less than 20% of the equity interests.

(*3) Although the Group holds more than 50% of the equity interest, it has been classified as an investment in associates as the Group does not exercise a majority of voting rights due to contractual agreements.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

10. Investments in associates (cont'd)

(2) Changes in carrying amount of investments in associates for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

		For the three-month period ended March 31, 2025								
		Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment (reversal)	Others(*1)	Ending balance
Associates	₩	25,379,625	₩ 55,525	₩ (47,809)	₩ 1,814,292	₩ 5,539	₩ (367,056)	₩ (4,019)	₩ (35,966)	₩ 26,800,131
		For the three-month period ended March 31, 2024								
		Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment (reversal)	Others(*1)	Ending balance
Associates	₩	21,708,429	₩ 107,525	₩ (19,743)	₩ 506,876	₩ 57,530	₩ (85,482)	₩ -	₩ (177,260)	₩ 22,097,875

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

(3) Details of unrecognized changes in equity due to the suspension of equity method application in investments in associates as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	March 31, 2025	Accumulated	March 31, 2025	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 1,337	₩ 13,323	₩ -	₩ -
Yongin General Industrial Complex Co.,Ltd	9,952	27,420	-	8
InterVest New Growth Fund	(236)	38	(274)	-
CHUNGJU BIJEU KOEO CITY CO., LTD.	38	361	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	(2,602)	21,242	-	-
Chuncheon Clean Water Load Co., Ltd	2	29	-	-
Pohang New Water Road Co., Ltd	59	309	-	-
Sonnori corp	(12)	228	-	-
Invites Genomics Co. LTD.	2,207	24,385	(726)	560
Uland Company Limited	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	5,187	-	(124)
Yemen LNG Company Ltd.	-	86,502	-	50,779
Eco creation Co., Ltd.	-	2,214	-	2,209
Mastern 171 Yangjoo PFV Co., Ltd.	775	1,598	-	-
Mastern No.93 Logispoint Gimpo PFV Co.,Ltd	3,368	4,289	-	-
Haman Green Energy Co., Ltd.	107	696	-	-
Samam Solar Co., Ltd.	-	127	-	-
VantAI Holdings, Inc	-	4,822	-	(288)
BEOPHYEONILBAN INDUSTRIAL DANJI CO.,LTD.	9	32	-	-
Sejong Venture Valley Industrial Complex Co., Ltd.	7,385	7,385	-	-
Intrus No. 1 Professional Investment Private Equity Real Estate Investment Ltd.	47	47	-	-
Ando Sola Co., Ltd.	820	820	-	-
	₩ 23,256	₩ 202,065	₩ (1,000)	₩ 53,144

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

10. Investments in associates (cont'd)

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	December 31, 2024	Accumulated	December 31, 2024	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 5,372	₩ 11,986	₩ -	₩ -
Chuncheon Green Energy Inc.	(25)	-	-	-
Yongin General Industrial Complex Co.,Ltd	17,468	17,468	8	8
InterVest New Growth Fund	(442)	274	274	274
CHUNGJU BIJEU KOEO CITY CO., LTD.	127	323	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	1,811	23,844	-	-
Chuncheon Clean Water Load Co., Ltd	9	27	-	-
Pohang New Water Road Co., Ltd	(116)	250	-	-
BARR Operation and Maintenance. LLP	(91)	-	-	-
Sonnori corp	18	240	-	-
Invites Genomics Co. LTD.	14,334	22,178	107	1,286
Uland Company Limited	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	5,187	-	-
Yemen LNG Company Ltd.	11,984	86,502	31,511	50,779
Eco creation Co., Ltd.	2,214	2,214	2,209	2,209
Mastern 171 Yangjoo PFV Co., Ltd.	823	823	-	-
Mastern No.93 Logispoint Gimpo PFV Co.,Ltd	921	921	-	-
Haman Green Energy Co., Ltd.	589	589	-	-
Samam Solar Co., Ltd.	127	127	-	-
Hummingbird Bioscience Holdings Pte., Ltd.	5,086	5,086	2,694	2,694
VantAI Holdings, Inc	4,822	4,822	(288)	(288)
	₩ 65,031	₩ 183,872	₩ 36,515	₩ 56,962

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

11. Investments in joint operations

Details of joint operations as of March 31, 2025 and December 31, 2024 are as follows:

Company name	Ownership percentage (%)		Main business location	Date of financial statements	Nature of joint arrangement activities, etc.
	March 31, 2025	December 31, 2024			
Ulsan Aromatics Co., Ltd.	50.0	50.0	Korea	March 31	(*1,2)
PT. Patra SK	65.0	65.0	Indonesia	March 31	(*1,3,4)
HDGSK JV	25.0	25.0	Iraq	March 31	(*1,5)
TPSK JV	50.0	50.0	Vietnam	March 31	(*1,6)
RIVERLINKX CJV	20.0	20.0	UK	March 31	(*1,7)
Sotra Link Construction JV	30.0	30.0	Norway	March 31	(*1,8)

(*1) The Group classified activities subject to the joint arrangement with the entities above as a joint operation, considering facts and circumstances that the contractual agreement is designed to provide outputs to relevant parties of the agreement, despite the terms of the agreement that grant the parties neither any rights to the assets nor any obligations to the liabilities in relation to the agreement.

(*2) The entity was established as a joint venture with ENEOS Corporation on March 30, 2012 and is engaged in manufacturing of aromatic compounds.

(*3) The entity was established as a joint venture with PT Pertamina Patra Niaga on November 19, 2006 and is engaged in lubricant oil manufacturing and sales activities.

(*4) On August 22, 2024, pursuant to a resolution of the Board of Directors, the Group entered into a Conditional Share Purchase Agreement (CSPA) to sell a portion of its ownership interest in PT. Patra SK, over which it holds joint control. The sale process is expected to be completed within 2025.

(*5) The entity was established as joint contract implementation purposes with Hyundai engineering & construction Co., Ltd. and GS Engineering & Construction Corp. on November, 2013 and is engaged in Construction activities on the Karbala Refinery Project site.

(*6) The entity was established as joint contract implementation purposes with Technip Energies on February, 2018 and is engaged in Construction activities on the LSPC Project site.

(*7) The entity was established as joint contract implementation purposes with Ferrovial, BAM on February, 2020 and is engaged in Construction activities on the Silvertown Tunnel site.

(*8) The entity was established as joint contract implementation purposes with FCC, Webuild on November, 2020 and is engaged in Construction activities on the Rv.555 Sotra Connection site.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

12. Property, plant and equipment

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

	March 31, 2025			
	Acquisition Cost	Depreciation	Impairment	Book value
Land	₩ 8,457,162	₩ -	₩ (18,028)	₩ 8,439,134
Buildings	11,041,029	(1,724,312)	(57,744)	9,258,973
Structures	3,353,708	(1,135,538)	(23,309)	2,194,861
Machinery	45,770,384	(23,122,098)	(182,984)	22,465,302
Vehicles	231,525	(103,498)	(3,264)	124,763
Operating lease asset	95,465	(15,003)	(3,391)	77,071
Others	11,794,024	(4,288,423)	(400,839)	7,104,762
Construction-in-progress	30,628,878	-	-	30,628,878
	<u>₩ 111,372,175</u>	<u>₩ (30,388,872)</u>	<u>₩ (689,559)</u>	<u>₩ 80,293,744</u>

	December 31, 2024			
	Acquisition Cost	Depreciation	Impairment	Book value
Land	₩ 8,423,812	₩ -	₩ (17,293)	₩ 8,406,519
Buildings	10,906,855	(1,625,556)	(57,730)	9,223,569
Structures	3,341,319	(1,093,705)	(22,825)	2,224,789
Machinery	45,333,327	(22,356,974)	(184,825)	22,791,528
Vehicles	231,057	(97,771)	(3,252)	130,034
Operating lease asset	107,399	(18,299)	(3,317)	85,783
Others	11,576,152	(4,132,072)	(401,367)	7,042,713
Construction-in-progress	30,458,800	-	-	30,458,800
	<u>₩ 110,378,721</u>	<u>₩ (29,324,377)</u>	<u>₩ (690,609)</u>	<u>₩ 80,363,735</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

12. Property, plant and equipment (cont'd)

(2) Changes in property, plant and equipment for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

For the three-month period ended March 31, 2025								
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers(*1)	Others(*2)	Ending balance
Land	₩ 8,406,519	₩ 45,609	₩ (8,532)	₩ -	₩ -	₩ 15,512	₩ (19,974)	₩ 8,439,134
Buildings	9,223,569	38,041	(1,951)	(88,187)	-	85,374	2,127	9,258,973
Structures	2,224,789	2,790	(100)	(41,411)	-	9,155	(362)	2,194,861
Machinery	22,791,528	46,073	(8,859)	(1,027,164)	(359)	693,591	(29,508)	22,465,302
Vehicles	130,034	1,241	(449)	(6,480)	-	213	204	124,763
Operating lease asset	85,783	4,561	(2,269)	(10,987)	(74)	(62)	119	77,071
Others	7,042,713	150,580	(5,291)	(196,069)	(2)	25,714	87,117	7,104,762
Construction-in-progress	30,458,800	1,069,414	(493)	(17,039)	-	(995,963)	114,159	30,628,878
	₩ 80,363,735	₩ 1,358,309	₩ (27,944)	₩ (1,387,337)	₩ (435)	₩ (166,466)	₩ 153,882	₩ 80,293,744

(*1) This includes transfer from construction-in-progress to property, plant and equipment and from property, plant and equipment to intangible assets and from investment properties to property, plant and equipment and from property, plant and equipment to assets held for sale.

(*2) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

For the three-month period ended March 31, 2024								
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	Ending balance
Land	₩ 9,743,705	₩ 5,127	₩ (4,436)	₩ -	₩ -	₩ 39,082	₩ 272,233	₩ 10,055,711
Buildings	8,068,015	2,570	(2,455)	(76,726)	-	104,430	(118,979)	7,976,855
Structures	2,211,690	5,489	(601)	(40,820)	-	1,408	17,698	2,194,864
Machinery	22,068,857	68,372	(4,655)	(1,077,808)	259	818,445	168,132	22,041,602
Vehicles	165,058	2,465	(787)	(6,585)	1	1,838	1,789	163,779
Operating lease asset	2,580,610	245,989	(3,072)	(123,848)	(791)	(96,562)	(128)	2,602,198
Others	5,901,800	268,774	(5,059)	(166,385)	189	34,147	164,492	6,197,958
Construction-in-progress	22,754,697	3,384,719	(4,665)	-	(431)	(1,173,486)	727,365	25,688,199
	₩ 73,494,432	₩ 3,983,505	₩ (25,730)	₩ (1,492,172)	₩ (773)	₩ (270,698)	₩ 1,232,602	₩ 76,921,166

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

13. Right-of-use assets and lease

(1) Details of right-of-use assets as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025			
	Acquisition Cost	Depreciation	Impairment	Book value
Land and buildings	₩ 4,887,440	₩ (1,944,224)	₩ (6,251)	₩ 2,936,965
Tanks	403,473	(303,080)	-	100,393
Ships	2,017,697	(755,365)	-	1,262,332
Vehicles	583,275	(380,053)	(4,865)	198,357
Others	646,152	(286,848)	(549)	358,755
	₩ 8,538,037	₩ (3,669,570)	₩ (11,665)	₩ 4,856,802

	December 31, 2024			
	Acquisition Cost	Depreciation	Impairment	Book value
Land and buildings	₩ 4,839,404	₩ (1,867,269)	₩ (6,262)	₩ 2,965,873
Tanks	404,014	(286,713)	-	117,301
Ships	2,017,005	(712,631)	-	1,304,374
Vehicles	572,905	(380,464)	(4,648)	187,793
Others	652,211	(288,707)	(550)	362,954
	₩ 8,485,539	₩ (3,535,784)	₩ (11,460)	₩ 4,938,295

(2) Changes in right-of-use assets for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,965,873	₩ 158,473	₩ (21,183)	₩ (182,584)	₩ 16,386	₩ 2,936,965
Tanks	117,301	2,074	(505)	(20,146)	1,669	100,393
Ships	1,304,374	-	-	(43,195)	1,153	1,262,332
Vehicles	187,793	41,593	(7,864)	(23,326)	161	198,357
Others	362,954	39,922	(4,985)	(25,424)	(13,712)	358,755
	₩ 4,938,295	₩ 242,062	₩ (34,537)	₩ (294,675)	₩ 5,657	₩ 4,856,802

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

	For the three-month period ended March 31, 2024					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,648,196	₩ 184,404	₩ (34,123)	₩ (148,289)	₩ 42,814	₩ 2,693,002
Tanks	143,795	9,136	-	(17,135)	4,741	140,537
Ships	1,327,799	-	-	(37,876)	38,250	1,328,173
Vehicles	644,182	37,858	(31,136)	(32,618)	2,001	620,287
Others	412,959	52,057	(11,482)	(43,826)	2,848	412,556
	₩ 5,176,931	₩ 283,455	₩ (76,741)	₩ (279,744)	₩ 90,654	₩ 5,194,555

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

13. Right-of-use assets and lease (cont'd)

(3) Details of lease-related income and expenses from lease contracts where the consolidated entity is a lease user for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Short-term Lease-Related Costs	₩ 82,674	₩ 45,869
Low-value underlying asset lease-related costs	4,935	3,710
Costs related to variable lease payments not included in the measurement of lease liabilities	44,135	40,678
	<u>₩ 131,744</u>	<u>₩ 90,257</u>

(4) Details of total cash out flows due to leases for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Total cash out flows from leases	₩ 441,134	₩ 399,288

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

14. Investment properties

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

	March 31, 2025	December 31, 2024
Acquisition cost	₩ 1,269,062	₩ 1,249,413
Accumulated depreciation	(253,668)	(247,233)
Accumulated impairment loss	(7,855)	(7,841)
	<u>₩ 1,007,539</u>	<u>₩ 994,339</u>

(2) Changes in investment properties for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	
Land	₩ 511,130	₩ -	₩ -	₩ -	₩ -	₩ 6,908	₩ (4,684)	₩ 513,354
Buildings	474,414	210	-	(10,476)	-	19,514	2,101	485,763
Structures	-	-	-	-	-	-	-	-
Right-of-use assets	8,795	-	-	(371)	-	(2)	-	8,422
	<u>₩ 994,339</u>	<u>₩ 210</u>	<u>₩ -</u>	<u>₩ (10,847)</u>	<u>₩ -</u>	<u>₩ 26,420</u>	<u>₩ (2,583)</u>	<u>₩ 1,007,539</u>

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

	For the three-month period ended March 31, 2024							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	
Land	₩ 1,241,040	₩ -	₩ (287)	₩ -	₩ -	₩ (17,568)	₩ (34,459)	₩ 1,188,726
Buildings	1,841,385	615	(1,289)	(11,011)	-	(6,491)	53,744	1,876,953
Structures	1,041	9	-	(30)	-	-	(385)	635
Right-of-use assets	10,439	-	-	(544)	-	214	-	10,109
	<u>₩ 3,093,905</u>	<u>₩ 624</u>	<u>₩ (1,576)</u>	<u>₩ (11,585)</u>	<u>₩ -</u>	<u>₩ (23,845)</u>	<u>₩ 18,900</u>	<u>₩ 3,076,423</u>

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

15. Goodwill

Changes in goodwill for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025						
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers(*1)	Others(*2)	Ending balance
Goodwill	₩ 5,462,338	₩ -	₩ 8,981	₩ -	₩ (47,375)	₩ 4,822	₩ 5,428,766

(*1) SK Square Co., Ltd., the subsidiary, entered into a share disposal agreement to exchange its entire stake in id Quantique SA for shares in IonQ, Inc., and accordingly, the investment has been reclassified as assets held for sale.

(*2) Others include net translation differences, and retroactive adjustments to identifiable net assets in accordance with past business combination.

	For the three-month period ended March 31, 2024						
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers	Others(*1)	Ending balance
Goodwill	₩ 6,845,928	₩ 431	₩ -	₩ (2,451)	₩ -	₩ 103,061	₩ 6,946,969

(*1) Others include net translation differences, and retroactive adjustments to identifiable net assets in accordance with past business combination.

16. Intangible assets

Changes in intangible assets for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025							
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers(*3)	Others(*4)	Ending balance
Frequency usage rights	₩ 1,135,546	₩ -	₩ -	₩ (117,765)	₩ -	₩ -	₩ -	₩ 1,017,781
Industrial property rights	171,825	1,408	(305)	(3,328)	(15)	590	(274)	169,901
5Development costs	264,119	8,193	(247)	(10,847)	(3,686)	20,656	527	278,715
Facility usage rights	25,806	159	-	(1,148)	-	51	204	25,072
Customer-related assets	2,183,770	-	-	(74,576)	-	-	(53,158)	2,056,036
Development costs for petroleum resource	1,478,777	55,482	-	(38,968)	-	1,000	(684)	1,495,607
Membership (*1)	320,210	7,070	(13,171)	-	-	(712)	(19)	313,378
Brand-related assets (*1)	2,279,074	-	-	-	-	-	(85)	2,278,989
Developed technology	698,560	-	(905)	(45,275)	-	-	(21,005)	631,375
Others (*2)	1,884,808	2,946	(1,684)	(143,942)	(3,723)	89,856	6,860	1,835,121
	₩ 10,442,495	₩ 75,258	₩ (16,312)	₩ (435,849)	₩ (7,424)	₩ 111,441	₩ (67,634)	₩ 10,101,975

(*1) Membership and brand-related assets are classified as intangible assets with infinite useful lives and are not amortized.

(*2) Other intangible assets recognized through business combination, software, usable and profitable donation assets and others.

(*3) The transfers consist of the reclassification of construction-in-progress with intangible assets, and reclassification of intangible assets with assets held for sale.

(*4) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

16. Intangible assets (cont'd)

	For the three-month period ended March 31, 2024								Ending balance
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers(*3)	Others(*4)		
Frequency usage rights	₩ 1,606,606	₩ -	₩ -	₩ (117,765)	₩ -	₩ -	₩ -	₩ -	₩ 1,488,841
Industrial property rights	190,820	2,025	(181)	(2,770)	-	2,067	3,293		195,254
Development costs	241,071	5,408	-	(17,857)	-	88,635	(127)		317,130
Facility usage rights	27,758	413	-	(1,104)	-	355	2		27,424
Customer-related assets	2,461,423	-	-	(62,996)	-	-	11,424		2,409,851
Development costs for petroleum resource	1,482,623	40,568	-	(39,146)	-	(13,851)	(2,515)		1,467,679
Membership (*1)	374,757	11,869	(20,579)	-	-	-	283		366,330
Brand-related assets (*1)	2,288,941	-	-	-	-	-	2,484		2,291,425
Developed technology	955,825	2,100	-	(47,622)	-	-	12,673		922,976
Others (*2)	2,111,595	21,908	(2,070)	(177,219)	(318)	112,224	15,842		2,081,962
	<u>₩ 11,741,419</u>	<u>₩ 84,291</u>	<u>₩ (22,830)</u>	<u>₩ (466,479)</u>	<u>₩ (318)</u>	<u>₩ 189,430</u>	<u>₩ 43,359</u>		<u>₩ 11,568,872</u>

- (*1) Membership and brand-related assets are classified as intangible assets with infinite useful lives and are not amortized.
- (*2) Other intangible assets recognized through business combination, software, usable and profitable donation assets and others.
- (*3) The transfers consist of the reclassification of construction-in-progress with intangible assets, and reclassification of intangible assets with assets held for sale.
- (*4) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

17. Bonds and borrowings

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

	March 31, 2025		December 31, 2024	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 17,311,582	₩ -	₩ 20,002,596	₩ -
Bonds and long-term borrowings:				
Bonds	9,413,687	25,366,969	7,931,271	26,034,033
Long-term borrowings	6,916,116	27,982,737	6,857,615	22,039,096
	16,329,803	53,349,706	14,788,886	48,073,129
	₩ 33,641,385	₩ 53,349,706	₩ 34,791,482	₩ 48,073,129

(*1) It includes borrowings collateralized for trade receivables of ₩8,843 million and ₩83,618 million as of March 31, 2025 and December 31, 2024, respectively, which were transferred but not derecognized.

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

	March 31, 2025	December 31, 2024
SK Inc.	₩ 7,405,000	₩ 7,415,000
SK Innovation Co., Ltd.	2,432,000	2,468,637
SK Energy Co., Ltd.	2,360,000	2,420,000
SK Geo Centric Co., Ltd.	2,080,000	1,850,000
SK Incheon Petrochem Co., Ltd.	1,632,000	1,797,000
SK Enmove Co., Ltd.	1,150,000	850,000
SK ie technology Co., Ltd.	435,000	325,000
SK Battery America, Inc.	1,759,800	1,764,000
SK On Co., Ltd.	1,997,850	1,911,000
IPC First Securitization Specialty Company	180,000	180,000
SK Telecom Co., Ltd.	6,766,550	6,649,000
SK Broadband Co., Ltd.	1,674,950	1,826,000
SAPEON Inc.	32,741	51,303
SK Networks Co., Ltd.	810,000	810,000
SK Magic Co., Ltd.	600,000	595,000
SK Speedmate Co., Ltd. (*1)	30,000	30,000
SKC Co., Ltd.	245,000	245,000
ISC Co., Ltd.	20,000	20,000
SK Nexilis Co., Ltd.	40,000	-
SK picglobal Co., Ltd.	30,000	30,000
Paju Energy Service Co., Ltd.	400,000	210,000
Narae Energy Service Co., Ltd.	290,000	40,000
Yeoju Energy Service Co., Ltd.	30,000	30,000
Ige Co., Ltd.	130,000	130,000
SK Ecoplant Co., Ltd.	1,293,000	1,278,000
Topsun Co., Ltd.	4,028	4,028
SK oceanplant Co.,Ltd.	50,000	50,000
SK airplus Incorporated.	100,000	100,000
SK Siltron Co., Ltd.	868,000	929,000
Teraon Co., Ltd.	10	10
8 Rivers Capital LLC	4,400	4,410
	34,850,329	34,012,388
Less : discount on bonds	(69,673)	(47,084)
Less : current portion	(9,413,687)	(7,931,271)
	₩ 25,366,969	₩ 26,034,033

(*1) SK networks 185-1 bond issued before the prior period with a par value of ₩30,000 million was transferred to SK Speedmate Co., Ltd. due to a split-off for the year ended December 31, 2024, and the name of the bond has been changed to SK Speedmate Co., Ltd. 1-1 Corporate Bond.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

17. Bonds and borrowings (cont'd)

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

Description	Financial institution	Issuing currency	Interest rate	March 31, 2025	December 31, 2024
General	Korea Development Bank and others	KRW	0.75% ~ 7.47%	₩ 11,032,268	₩ 9,347,600
Fund for facility	Korea Development Bank and others	KRW	1.53% ~ 6.52%	2,386,537	5,548,671
Foreign borrowings	Mizuho Bank and others	USD and others	0.29% ~ 9.00%	20,692,604	12,632,918
Fund for mine exploration	Korea Energy Agency (*1)	USD	0.00% ~ 8.80%	107,485	108,300
Takeover	Korea Development Bank and others	USD	SOFR + 2.00%	205,310	205,800
Takeover	Mizuho Bank and others	EUR	EURIBOR(3M) + 1.60%	255,644	246,126
Takeover	NH Bank	KRW	6.33%	70,392	-
Repayment-exemptable loan	KentuckyEconomicDevelopment Finance Authority (*2)	USD	-	366,625	367,500
Others	MD Prime 1st Co., Ltd. and others	KRW	3M CD+1.8%, 4.95%	909,975	1,007,818
				<u>36,026,840</u>	<u>29,464,733</u>
Addition (less): premium (discount)				(1,127,987)	(568,022)
Less: current portion				(6,916,116)	(6,857,615)
				<u>₩ 27,982,737</u>	<u>₩ 22,039,096</u>

(*1) As of March 31, 2025 and December 31, 2024, the Group holds a loan amounting to ₩72,715 million and ₩73,243 million from Korea Energy Agency for the purpose of oil exploration and development in which there is no repayment obligation in case for failure in exploration.

(*2) The amount received by the subsidiary BlueOval SK, LLC from the local government will extinguish the obligation to repay when the employment and wage levels required by period are achieved.

Borrowings presented above are to be repaid either in installments or all at once at maturity. Financial instruments and other assets of the Group are pledged as detailed in Note 38.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

18. Provisions

Changes in the provisions for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025								
	Beginning balance	Increase	Use	Reversal	Others (*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 410,382	₩ 45,589	₩ (18,430)	₩ (49)	₩ (979)	₩ 436,513	₩ 78,330	₩ 358,183	
Provision for service / construction warranties	101,130	4,391	(4,993)	(516)	1,484	101,496	101,496	-	
Provision for restoration	976,363	83,585	(71,869)	(87)	(2,610)	985,382	71,366	914,016	
Provision for onerous contracts	136,170	813	(1)	(11,344)	(3,024)	122,614	84,744	37,870	
Emission provisions	10,614	2,580	(259)	(43)	21	12,913	12,866	47	
Litigation provisions	41,126	3	(1,710)	(15,409)	(98)	23,912	23,912	-	
Other provisions	230,199	180,364	(141,454)	(1,277)	500	268,332	241,073	27,259	
	₩ 1,905,984	₩ 317,325	₩ (238,716)	₩ (28,725)	₩ (4,706)	₩ 1,951,162	₩ 613,787	₩ 1,337,375	

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

	For the three-month period ended March 31, 2024								
	Beginning balance	Increase	Use	Reversal	Others (*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 388,030	₩ 19,740	₩ (24,270)	₩ (52)	₩ 55,762	₩ 439,210	₩ 51,341	₩ 387,869	
Provision for service / construction warranties	102,415	10,829	(5,148)	(29)	(2,911)	105,156	105,156	-	
Provision for restoration	792,561	10,432	(3,768)	(1,576)	25,292	822,941	96,281	726,660	
Provision for onerous contracts	186,575	1,346	(7,630)	(15,053)	(5,903)	159,335	122,047	37,288	
Emission provisions	7,819	1,831	(3,164)	(514)	121	6,093	6,093	-	
Litigation provisions	36,893	98	-	(251)	(92)	36,648	36,616	32	
Other provisions	291,355	119,654	(78,796)	(34,957)	3,279	300,535	269,367	31,168	
	₩ 1,805,648	₩ 163,930	₩ (122,776)	₩ (52,432)	₩ 75,548	₩ 1,869,918	₩ 686,901	₩ 1,183,017	

(*1) Others include the effects of changes in scope of consolidation, net foreign currency differences and others.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

19. Defined benefit liabilities (assets)

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

	March 31, 2025	December 31, 2024
Present value of defined benefit obligation	₩ 3,809,436	₩ 3,867,243
Fair value of plan assets	(3,871,101)	(4,119,724)
Defined benefit asset (*1)	(202,977)	(339,646)
Defined benefit liability	141,312	87,165

(*1) Since the Group has neither an enforceable legal right to use any excess reserves of a plan in the Group for a settlement of defined benefit obligations of another plan nor an intention to settle such obligations likewise, the asset above may not be set off.

(2) Changes in the defined benefit liabilities for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,867,243	₩ (4,119,724)	₩ (252,481)
Current service cost	106,257	-	106,257
Net interest cost (income)	33,427	(37,364)	(3,937)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	2,061	2,061
Changes in financial assumption	58,589	-	58,589
Contributions	-	(39,254)	(39,254)
Benefit payments	(193,919)	261,043	67,124
Payment amount due to settlement	(10,647)	9,905	(742)
Others	(51,514)	52,232	718
Ending balance	₩ 3,809,436	₩ (3,871,101)	₩ (61,665)

	For the three-month period ended March 31, 2024		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,749,577	₩ (4,212,131)	₩ (462,554)
Current service cost	109,875	-	109,875
Net interest cost (income)	36,864	(44,222)	(7,358)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	2,853	2,853
Changes in financial assumption	8,316	-	8,316
Contributions	-	(12,654)	(12,654)
Benefit payments	(211,889)	234,897	23,008
Others	21,756	24,444	46,200
Ending balance	₩ 3,714,499	₩ (4,006,813)	₩ (292,314)

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

20. Other assets and liabilities

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Current assets :		
Short-term loans	₩ 163,797	₩ 127,820
Accrued income	291,882	206,764
Advanced payments	1,503,107	1,450,701
Prepaid expenses	2,932,030	2,752,841
Guarantee deposits	466,103	473,832
Derivative financial assets	940,470	1,404,138
Lease receivables	33,772	33,362
Other contract assets	149,334	146,886
Others	47,047	83,321
	<u>₩ 6,527,542</u>	<u>₩ 6,679,665</u>
Non-current assets :		
Long-term prepaid expenses	₩ 1,213,330	₩ 1,209,989
Long-term accrued income	28,338	28,097
Long-term advanced payments	72,241	70,626
Long-term loans	789,828	783,618
Guarantee deposits	573,543	573,206
Derivative financial assets	891,277	929,625
Long-term lease receivables	52,760	61,441
Other long-term contract assets	43,256	46,352
Others	83,372	83,134
	<u>₩ 3,747,945</u>	<u>₩ 3,786,088</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

20. Other assets and liabilities (cont'd)

(2) Details of other liabilities as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Current liabilities :		
Accrued expenses	₩ 3,997,410	₩ 4,563,921
Dividends payable	742,128	1,382
Advances received	1,932,855	1,954,393
Unearned revenue	128,489	142,133
Withholdings	1,488,090	1,212,624
Leasehold deposits received	949,261	938,005
Income tax payable	1,289,663	905,757
Derivative financial liabilities	685,171	723,651
Lease liabilities	1,082,892	1,082,184
Finance guarantee liabilities	24,580	31,425
Financial liabilities at fair value through profit or loss	315,194	65,697
Other contract liabilities	374,612	313,466
Others	375,672	45,724
	<u>₩ 13,386,017</u>	<u>₩ 11,980,362</u>
Non-current liabilities :		
Long-term accrued expenses	₩ 11,652	₩ 13,754
Advances received	680,943	716,379
Long-term unearned revenue	693,057	703,724
Leasehold deposits received	102,676	92,953
Derivative financial liabilities	999,437	1,082,222
Long-term lease liabilities	4,131,793	4,161,502
Financial liabilities at fair value through profit or loss	765,561	1,022,237
Other long-term contract liabilities	111,059	95,363
Others (*1)	512,520	761,965
	<u>₩ 8,008,698</u>	<u>₩ 8,650,099</u>

(*1) Others include long-term employee benefit liabilities amounting to ₩190,376 million and ₩187,774 million as of March 31, 2025 and December 31, 2024, respectively.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

21. Derivative financial assets and liabilities

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

	March 31, 2025			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 17,691	₩ 79,547	₩ 91	₩ 157,530
Swap contracts	164,266	507,688	70,213	260,454
Forward contracts	88,073	8,316	418,756	18,836
Futures contracts	137,656	-	-	-
Options contracts	527,558	274,412	68,763	529,009
Embedded derivative	5,226	21,314	127,348	33,608
	₩ 940,470	₩ 891,277	₩ 685,171	₩ 999,437

	December 31, 2024			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 59,150	₩ 43,297	₩ 6	₩ 138,449
Swap contracts	207,254	522,408	134,138	266,099
Forward contracts	167,530	73,686	417,672	18,651
Futures contracts	79,129	-	-	-
Options contracts	885,586	268,920	30,168	625,031
Embedded derivative	5,489	21,314	141,667	33,992
	₩ 1,404,138	₩ 929,625	₩ 723,651	₩ 1,082,222

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

22. Share capital

(1) Details of share capital as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions, except for number of shares):

	March 31, 2025	
	Common stocks	Preferred stocks (No voting rights)
Number of shares authorized (in shares)	400,000,000	45,000,000
Par value per share (Korean won)	₩ 200	₩ 200
Number of shares issued (in shares)	72,502,703	566,135
Issued capital	₩ 16,030	₩ 113

	December 31, 2024	
	Common stocks	Preferred stocks (No voting rights)
Number of shares authorized (in shares)	400,000,000	45,000,000
Par value per share (Korean won)	₩ 200	₩ 200
Number of shares issued (in shares)	72,502,703	566,135
Issued capital	₩ 16,030	₩ 113

The Company retired 6,000,000 shares of its treasury share (par value : ₩1,200 million) in 2015, 951,000 shares of its treasury share (par value : ₩190 million) for the year ended December 31, 2023 and 695,626 shares of its treasury share (par value : ₩139 million) for the year ended December 31, 2024 by reducing retained earnings, which resulted in a difference between the total par value of ordinary shares and issued capital. Meanwhile, the total number of shares authorized under the Articles of association is 400,000,000 shares, of which up to 45,000,000 shares may be issued as non-voting preferred shares.

(2) Changes in the total number of shares issued for the three-month periods ended March 31, 2025 and 2024 are as follows (In shares):

	For the three-month period ended March 31, 2025	
	Common stocks	Preferred stocks (No voting rights)
Beginning	72,502,703	566,135
Retirement of treasury shares	-	-
Ending	72,502,703	566,135

	For the three-month period ended March 31, 2024	
	Common stocks	Preferred stocks (No voting rights)
Beginning	73,198,329	566,135
Retirement of treasury shares	-	-
Ending	73,198,329	566,135

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

23. Other paid-in capital

(1) Details of other paid-in capital as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,948,386)	(1,948,386)
Other capital surplus	6,495,707	6,588,770
	<u>₩ 11,156,488</u>	<u>₩ 11,249,551</u>

(*1) For the year ended December 31, 2015, the Group repurchased treasury shares of ₩3,369,395 million from merger with the former SK Inc., which was recognized as a contra-equity account on additional paid-in capital.

(*2) As of March 31, 2025, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (6,959,117 ordinary shares) and those acquired from repurchase of shares from dissenting shareholders on business combination and shares arising from odd lot shares (11,023,238 ordinary shares and 1,787 preferred shares) during the year 2015.

(2) Details of treasury shares as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Number of treasury shares (in shares)	17,984,142	17,984,141
Acquisition amount	₩ 1,948,386	₩ 1,948,386

(3) Changes in treasury shares for the three-month periods ended March 31, 2025 and 2024 are as follows (Number of shares):

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
Beginning	17,984,141	18,336,199
Acquisition	1	357,602
Disposal	-	(12,575)
Ending	<u>17,984,142</u>	<u>18,681,226</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

24. Retained earnings

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Legal reserve		
Earned surplus reserve (*1)	₩ 8,072	₩ 8,072
Voluntary reserve		
Reserve for business rationalization	11,121	11,121
Reserve for business improvement	51,775	51,775
Unappropriated retained earnings	<u>13,882,502</u>	<u>11,810,940</u>
	<u>₩ 13,953,470</u>	<u>₩ 11,881,908</u>

(*1) In accordance with the *Korean Commercial Code*, an amount equal to at least 10% of cash dividends is required to be appropriated as a legal reserve until the reserve equals 50% of issued capital. The legal reserve may not be used for purposes other than used to offset a deficit, if any, or be transferred to issued capital through approval at the general meeting of the shareholders.

25. Other components of equity

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

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
Net loss on valuation of financial assets measured at FVOCI	₩ (2,097,560)	₩ (1,939,136)
Equity adjustments of investments in associates and joint ventures	744,039	731,439
Net gain on valuation of derivative instruments	54,634	54,804
Net gain on translation of foreign operation	<u>3,178,769</u>	<u>3,119,882</u>
	<u>₩ 1,879,882</u>	<u>₩ 1,966,989</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

26. Share-based payment

Upon resolution by the shareholders and the Board of Directors, the Group established a stock option program that entitles key management personnel an option to purchase ordinary shares. The terms and conditions related to the grants of the stock options granted under the share option program are as follows:

(1) SK Inc.

- Cash-settled share-based payment

1) The terms and conditions related to the grants of the stock options granted under the share option program as of March 31, 2025 are as follows (Korean won):

	2-1	2-2	1(*1)	2(*1)
Grant date	2020-03-25	2020-03-25	2020-03-31	2020-03-31
Type of shares to be issued	Ordinary shares			
Grant method	Reissue of treasury shares, but if the stock option's exercise price is lower than the stock's real price (evaluated based on exercise date), the Company may settle the difference in cash or with treasury share equivalent to the difference amount.			
Number of shares (in shares)	142,692	71,346	39,098	19,551
Exercise price (Korean won)	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Contractual life of options	2023.03.26 ~2027.03.25	2023.03.26 ~2027.03.25	2023.03.31 ~2027.03.30	2023.03.31 ~2027.03.30
Vesting conditions	2 year service from the grant date	3 year service from the grant date	2 year service from the grant date	3 year service from the grant date

(*1) The stock options have been transferred from the former SK Materials Co., Ltd. (the merged and dissolved entity).

2) Details of compensation cost for the three-month periods ended March 31, 2025 and 2024, due to stock option program are as follows (Korean won in millions):

For the three-month period ended March 31, 2025					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (1,666)	₩ 5,900	₩ -	₩ 5,900	₩	5,900
For the three-month period ended March 31, 2024					
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ 1,588	₩ 16,892	₩ -	₩ 16,892	₩	15,565

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

26. Share-based payment (cont'd)

3) Changes in stock options for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won):

	For the three-month period ended March 31, 2025		For the three-month period ended March 31, 2024	
	Stocks (in shares)	Weighted average exercise price	Stocks (in shares)	Weighted average exercise price
Beginning balance	272,687	₩ 139,632	332,725	₩ 153,397
Exercised	-	-	(18,607)	(108,959)
Extinguished	-	-	(41,431)	(263,950)
Ending balance	272,687	₩ 139,632	272,687	₩ 139,632
Stock Options available for exercise	58,649	₩ 89,204	272,687	₩ 139,632

4) The assumptions and variables used in option pricing model as of March 31, 2025 are as follows (Korean won):

Descriptions	March 31, 2025			
	2-1 The binomial model	2-2 The binomial model	1 The binomial model	2 The binomial model
Option Pricing Model				
Expected price (Closing price on the preceding day)	₩ 129,600	₩ 129,600	₩ 129,600	₩ 129,600
Risk-free interest rate	2.61%	2.61%	2.61%	2.61%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	37.50%	37.50%	37.50%	37.50%
Dividend yield	5.40%	5.40%	5.40%	5.40%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 15,574	₩ 15,574	₩ 43,768	₩ 43,768

- Equity-settled share-based payment

1) The Group established a performance-based stock option program as part of compensation related to corporate value growth, granting performance-based stock compensation to major executives. The terms and conditions related to the grants of the stock options under the share option program are as follows:

Descriptions	For 2023	For 2024
Grant date	March 29, 2023	March 27, 2024
Types of shares to be issued	Ordinary shares	
Grant method	Reissue of treasury shares, cash payment for specific reasons	
Number of shares paid	Determined in consideration of the absolute stock price increase/decrease rate and the relative stock price increase/decrease rate (or corporate value increase/decrease rate) compared to the KOSPI200 for three years from the date of grant	
Payment time	The final quantity or amount of payment will be confirmed on the date of the regular shareholders' meeting in 2026, within one month after the date of resolution of the board of directors, on the premise of the approval of the agenda of the board of directors approving the payment	The final quantity or amount of payment will be confirmed on the date of the regular shareholders' meeting in 2027, within one month after the date of resolution of the board of directors, on the premise of the approval of the agenda of the board of directors approving the payment
Vesting conditions	1 year service from January 1, 2023	1 year service from January 1, 2024

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

26. Share-based payment (cont'd)

2) Details of compensation cost for the three-month periods ended March 31, 2025 and 2024, due to Equity-settled Share-based Payment are as follows (Korean won in millions):

For the three-month period ended March 31, 2025			
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs
₩ -	₩ 9,580	₩ -	₩ 9,580

For the three-month period ended March 31, 2024			
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs
₩ -	₩ 4,721	₩ -	₩ 4,721

3) The assumptions and variables used in the option pricing model for equity-settled share-based payment as of March 31, 2025 are as follows (Korean won):

Descriptions	For 2023		For 2024	
	The binomial model		The binomial model	
Option Pricing Model				
Initial grant amount (Korean won in millions)	₩	4,775	₩	1,775
Weighted average stock price at the grant date	₩	171,980	₩	189,533
Beta		1.19		1.35
Expected price (Closing price on the preceding day)	₩	168,500	₩	158,100
Risk-free interest rate		3.49%		3.44%
Expected option life		2.3years		2.8years
Expected volatility		27.48%		37.66%
Dividend yield		2.50%		2.60%
Fair value per share	₩	126,799	₩	120,636

In addition, the Group has entered into a Stock Grant that pays treasury stocks to employees for free apart from the above stock options. In the case of such Stock Grant, there is no requirement for vesting condition, and may not be transferred during the term of the stock. The recognized stock compensation costs related to the Stock Grant is ₩280 million and ₩340 million for the three-month periods ended March 31, 2025 and 2024, respectively.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

26. Share-based payment (cont'd)

(2) Subsidiaries of the Group established a stock option program that entitles key management personnel an option to purchase ordinary shares. Share-based compensation expenses recognized under the share option program for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025			
	Current (reversal)	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 16,651	₩ 128,169	₩ 137,394	₩ 265,563
Group of SK Telecom Co., Ltd.	(248)	168,227	-	168,227
Group of SK Square Co., Ltd.	1,135	69,049	5,007	74,056
Group of SK Networks Co., Ltd.	68	5,687	478	6,165
Group of SKC Co., Ltd.	-	10,709	-	10,709
Group of SK Ecoplant Co., Ltd.	159	7,709	711	8,420
Others	194	59,259	5,372	64,631
	₩ 17,959	₩ 448,809	₩ 148,962	₩ 597,771

	For the three-month period ended March 31, 2024			
	Current	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 16,961	₩ 74,137	₩ 146,557	₩ 220,694
Group of SK Telecom Co., Ltd.	3,324	171,030	970	172,000
Group of SK Square Co., Ltd.	3,755	67,962	16,313	84,275
Group of SK Networks Co., Ltd.	654	7,249	1,080	8,329
Group of SKC Co., Ltd.	21	5,380	-	5,380
Group of SK Ecoplant Co., Ltd.	1,106	8,811	2,415	11,226
Others	3,027	30,526	9,855	40,381
	₩ 28,848	₩ 365,095	₩ 177,190	₩ 542,285

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

27. Selling and administrative expenses

Details of selling and administrative expenses for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Salaries	₩ 561,151	₩ 601,343
Provision for pension benefits	42,646	36,398
Employee welfare benefits	179,556	177,541
Travel	22,717	26,613
Bad debt expenses	15,541	17,139
Communications	5,283	4,095
Utilities	10,737	14,553
Taxes and dues	33,774	29,522
Supplies	12,662	10,851
Rents	52,053	52,588
Depreciation	153,489	157,654
Amortization	112,266	109,333
Repairs	1,346	8,197
Insurance	20,408	20,210
Advertising	105,327	113,735
Research and development	183,330	182,039
Education and examination	24,125	16,951
Outsourcing technology services	354,210	282,851
Transport	81,270	79,832
Others	91,193	91,757
	₩ 2,063,084	₩ 2,033,202

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

28. Finance income and costs

(1) Details of finance income for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Finance income:		
Interest income	₩ 239,480	₩ 250,143
Gain on foreign currency transactions	543,757	516,333
Gain on foreign currency translation	325,113	292,659
Gain on transactions of derivatives	372,530	292,001
Gain on valuation of derivatives	108,258	373,945
Others	27,981	44,025
	<u>₩ 1,617,119</u>	<u>₩ 1,769,106</u>

(2) Details of finance costs for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Finance expenses:		
Interest expense	₩ 871,412	₩ 890,633
Loss on foreign currency transactions	574,108	557,954
Loss on foreign currency translation	238,264	432,388
Loss on transactions of derivatives	283,329	308,693
Loss on valuation of derivatives	543,167	382,718
Others	99,421	95,003
	<u>₩ 2,609,701</u>	<u>₩ 2,667,389</u>

29. Other non-operating income and expenses

(1) Details of other non-operating income for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Other non-operating income:		
Dividend income	₩ 25,538	₩ 23,063
Rental income	-	308
Gain on disposal of investments in associates and joint ventures	294,640	35,392
Gain on disposal of property, plant and equipment	5,211	13,312
Gain on disposal of intangible assets	7,866	6,718
Reversal of loss on impairment of investments in associates and joint ventures	176,405	9,434
Others	93,069	95,071
	₩ 602,729	₩ 183,298

(2) Details of other non-operating expenses for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Other non-operating expenses:		
Loss on disposal of trade receivables	₩ 10,906	₩ 23,677
Loss on impairment of investments in associates and joint ventures	15,617	-
Loss on disposal of property, plant and equipment	2,591	5,909
Loss on impairment of property, plant and equipment	359	78
Loss on disposal of intangible assets	988	1,196
Loss on impairment of intangible assets	7,641	2,451
Donations	4,880	7,947
Others	118,943	72,379
	₩ 161,925	₩ 113,637

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

30. Expense classified based on nature of expense

Details of classification based on nature of expenses for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Employee benefits	₩ 2,489,810	₩ 2,592,571
Depreciation and amortization	2,117,861	2,228,156
Network connection	165,529	189,446
Transport	163,760	239,006
Advertising	105,327	114,198
Lease payments and rents	168,259	127,065
Others	5,395,239	5,503,119
Use of raw materials and purchase of finished goods and merchandise	20,752,979	20,475,320
Changes in finished goods and semi-finished goods	(357,833)	(466,546)
Total (*1)	₩ 31,000,931	₩ 31,002,335

(*1) The sum of the cost of sales, selling and administrative expenses in the statement of comprehensive income.

31. Income taxes

The Group calculated income tax expense by adding the current period adjustments to the accumulated interim tax expense, reflecting deferred tax expense (income) due to changes in temporary differences and considering adjustments not related to the interim profit or loss.

The average effective tax rates for the three-month periods ended March 31, 2025 and 2024 are 13.83% and 42.18% respectively.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

32. Earnings per share

(1) Basic earnings per share

1) Basic earnings per share calculation details attributable to ordinary share owners of the parent for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions, except weighted-average number of ordinary share outstanding):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Profit for the period from continuing operations attributable to owners of the parent	₩ 482,712	₩ 95,105
Gain from discontinued operations attributable to owners of the parent	1,866,385	62,318
Less: preference share dividends (*1)	24,095	1,637
Profit for the period from continuing operations attributable to ordinary share owners of the parent	₩ 477,767	₩ 94,133
Gain from discontinued operations attributable to ordinary share owners of the parent	1,847,235	61,653
Weighted-average number of ordinary share outstanding (in shares) (*2)	54,520,348	54,632,278
Basic earnings per share from continuing operations attributable to ordinary share owners of the parent (in Korean won)	₩ 8,763	₩ 1,723
Basic earnings per share from discontinued operations attributable to ordinary share owners of the parent (in Korean won)	33,882	1,129

(*1) Preference shares are entitled to receive 25% above (par value basis) the cash dividend rate for ordinary shares.

(*2) The weighted average number of shares in consideration of the number of shares issued due to changes in the number of treasury stocks for the three-month periods ended March 31, 2025 and 2024.

2) The basis of calculating weighted-average number of ordinary shares for the three-month periods ended March 31, 2025 and 2024 is as follows (In shares):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Weighted-average number of issued shares outstanding	72,502,703	73,198,329
Adjustment: treasury shares	(17,982,355)	(18,566,051)
Weighted-average number of ordinary shares outstanding	54,520,348	54,632,278

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

32. Earnings per share (cont'd)

3) Basic earnings per share calculation details attributable to preferred share owners of the parent for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions, except weighted-average number of preferred share outstanding):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Preference share dividends and residual loss	₩ 24,095	₩ 1,637
Profit for the period from continuing operations attributable to preferred share owners of the parent	4,945	972
Gain from discontinued operations attributable to preferred share owners of the parent	19,150	665
Weighted-average number of preferred share outstanding	<u>564,348</u>	<u>564,348</u>
Basic earnings per share from continuing operations attributable to preferred share owners of the parent (in Korean won) (*1)	₩ 8,763	₩ 1,723
Basic earnings per share from discontinued operations attributable to preferred share owners of the parent (in Korean won) (*1)	33,932	1,179

(*1) Earnings per share were calculated for preference shares that meet the definition of ordinary shares under K-IFRS No. 1033 *Earnings per Share*, which have no preferential rights to dividend payments or residual property distribution.

Preference shares have no potential equity instruments, so basic earnings per share and diluted earnings per share are the same.

(2) Diluted earnings per share

1) Diluted earnings per share calculation details attributable to ordinary share owners of the parent for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions, except weighted-average number of ordinary shares outstanding):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Profit for the period from continuing operations attributable to owners of the parent	₩ 482,712	₩ 95,105
Gain from discontinued operations attributable to owners of the parent	1,866,385	62,318
Less: preference share dividends (*1)	24,095	1,637
Less: numerator adjustment of cash-settled stock option	<u>1,226</u>	-
Profit for the period from continuing operations attributable to ordinary share owners of the parent	₩ 476,541	₩ 94,133
Gain from discontinued operations attributable to ordinary share owners of the parent	1,847,235	61,653
Adjusted weighted-average number of ordinary share outstanding	<u>54,583,456</u>	<u>54,644,457</u>
Diluted earnings per share from continuing operations attributable to ordinary share owners of the parent (in Korean won)	₩ 8,730	₩ 1,723
Diluted earnings per share from discontinued operations attributable to ordinary share owners of the parent (in Korean won)	33,842	1,128

(*1) Preference shares are entitled to receive 25% above (par value basis) the cash dividend rate for ordinary shares.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

32. Earnings per share (cont'd)

2) The basis of calculating weighted-average number of diluted ordinary shares for the three-month periods ended March 31, 2025 and 2024 is as follows (In shares):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Weighted-average number of issued shares outstanding	54,520,348	54,632,278
Adjustment: stock option	63,108	12,179
Weighted-average number of diluted ordinary shares outstanding	54,583,456	54,644,457

Diluted earnings per ordinary share is calculated by applying the weighted average number of ordinary shares outstanding, adjusted on the assumption that all dilutive potential ordinary shares have been converted to ordinary share.

33. Transactions with related parties

Balances on transactions arising from intercompany transactions within the Group were eliminated in preparing the consolidated financial statements as of March 31, 2025 and December 31, 2024 and for the three-month periods ended March 31, 2025 and 2024.

(1) Related parties of the Group as of March 31, 2025 are as follows:

	Company name
Investments in associates	SK Hynix Inc., Eureka Midstream Holdings, VCM Services And Trading Development Joint Stock Company, Darwin LNG Pty Ltd., The CrownX Corporation, FR BR Aggregator, Huizhou EVE United Energy Co., Ltd., Daehan Oil Pipeline Corporation, NHIP II Bison Holdings, LLC, Canakkale Highway And Bridge, Korea IT Fund, Content Wavve Corp., Best Oil Company Ltd., TBM Co., Ltd., ENN (Zhoushan) LNG Co., Ltd., XE-PIAN XE-NAMNOY POWER COMPANY LIMITED., BLOOMENERGY CORPORATION, TERRAPOWER, LLC, Londian Wason New Energy Tech. Inc., CENVIRO SDN. BHD., Goseong Green Power Co., Ltd., ChangZhou BTR New Material Technology CO.,LTD., Nexeon, Amogy Inc., Daeshin Core Growth Investment Fund, GREEN OLEOS CO., LTD., REBELLIONS INC., SK REIT Co., Ltd., etc.
Investments in joint ventures	Sinopec-SK (Wuhan) Petrochemical Co., Ltd., Beijing BESK Technology Co., Ltd., Lunar Energy, Inc., ZETA CAYMAN Limited, Ignis Therapeutics, Eurasia Tunnel, iParking Corp., Boryeong LNG Terminal Co.,Ltd, SABIC SK Nexlene Company Pte. Ltd., Korea Security Holdings Co., Ltd., HSAGP ENERGY, LLC, Zhejiang SK energy Baoying Group Co., Ltd., etc.
Other related parties (*1)	SK D&D Co., Ltd., Ulsan Aromatics Co., Ltd., SK Chemicals Co., Ltd., SK Gas Co., Ltd., SK Shieldus Co., Ltd., UNA Engineering Co., Ltd., etc.

(*1) These companies are including companies that are not the related parties as defined in paragraph 9 of K-IFRS No. 1024. However, Large-Scale Business Group affiliates designated by the Korea Fair Trade Commission are classified as related parties in accordance with the decision of the Korean Securities and Futures Commission that those are related parties considering substance of the relationship as stipulated in paragraph 10 of K-IFRS No. 1024.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

(2) Details of significant transactions with the related parties for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	Company name	Sales and others		Expenses and others	
		For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2024
		₩	₩	₩	₩
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	16,731	15,925	14,331	16,571
	SABIC SK Nexlene Company Pte. Ltd.	-	178	85,406	69,272
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	129	240	143,625	131,884
	ChangZhou BTR New Material Technology CO.,LTD.	12,896	22,148	47,697	104,609
	HSAGP ENERGY LLC	87,598	4	-	-
	Ignis Therapeutics	-	3,373	-	-
	Eurasia Tunnel	1,332	1,078	-	-
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	1,353	1,323	-	-
	YONGIN General Industrial Complex Co.,Ltd	167,141	93,324	53,524	834
	Bloom SK Fuel Cell, LLC	1,686	275	-	11,654
	Godeok Clean Energy Co., Ltd.	7,422	2,174	1,466	1,283
	Chuncheon Green Energy Inc.	-	877	-	-
	Boryeong LNG Terminal Co., Ltd.	17,525	12,395	31,884	32,643
	Darwin LNG Pty Ltd.	-	175	-	-
	F&U Credit Information Co., Ltd.	818	748	12,332	12,124
	SK Hynix Inc.	1,386,454	600,681	48,046	13,086
	Content Wavve Corp.	4,466	1,501	15,823	20,383
	Best Oil Company Ltd.	326,048	277,139	37	2,496
	Asia Bitumen Trading Pte. Ltd.	-	3,073	9,091	2,848
	Huizhou EVE United Energy Co., Ltd.	159,533	13,988	111,536	107,223
	Sotra Link Holdco AS	33,342	28,935	-	-
	Daehan Kanggun BCN Co. Ltd.	-	8,349	-	-
	Haman Green Energy Co., Ltd.	911	397	-	-
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	1,302	43,215	-	-
	Goseong Green Power Co., Ltd.	747	1,090	-	-
	Songsan Green Energy Co.,Ltd.	11,706	2,603	-	-
	DCK One Co., Ltd.(*2)	-	103,018	-	-
	BLOOMENERGY CORPORATION	809	-	34,201	153,420
	SK REIT Co., Ltd.	5,811	7,994	21,310	10,470
	SMCore. Inc.	273	87	11,567	12,508
	HCM001, LLC	792	-	-	-
	Others	65,352	97,465	88,264	43,089
	Other related parties (*1)	Peru LNG Company, LLC.(*3)	-	42,185	-
Baic Electronics SK (Jiangsu) Technology Co., Ltd.		161	4,828	4,958	74,903
XINGLU (HONGKONG) LIMITED		15,951	3,025	-	-
Happynarae Co., Ltd.		423	5,468	50,231	63,479
SK hynix Semiconductor (China) Ltd.		60,818	65,811	353	364
SK hynix Semiconductor Hong Kong Ltd.		4	4	323,392	172,014
Korea Nexlene Company		64,763	42,099	118	76
Ulsan Aromatics Co., Ltd.		17,912	17,803	21,251	21,976
SK Gas Co., Ltd.		109,958	151,685	62,211	64,297
SK Chemicals Co., Ltd.		13,618	11,765	842	1,010
SK Shieldus Co., Ltd.		15,419	20,132	71,567	80,689
UNA Engineering Co., Ltd.		33	243	14,376	15,556
Ulsan GPS Corporation		13,707	58,460	4	-
SK Bioscience Co., Ltd.		43,342	18,935	-	-
SK Multi utility Co., Ltd.		470	73,882	4,258	5,139
Clean Energy REIT Co., Ltd		-	5,366	7,956	8,049
Others		52,193	105,524	53,705	33,582
	<u>₩2,720,949</u>	<u>₩1,970,987</u>	<u>₩1,345,362</u>	<u>₩ 1,287,531</u>	

(*1) Although, not designated as related parties as defined in K-IFRS No. 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and Fair Trade Act*.

(*2) As the entire stake was sold during the period, it is no longer classified as a related party as of the end of the period. The transaction amount for the current and prior period is the transaction amount up to the time when it is excluded from related parties.

(*3) As the entire stake was sold during the prior period, it is no longer classified as a related party as of the end of the period. The transaction amount for the prior period is the transaction amount up to the time when it is excluded from related parties.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

(3) Details of significant outstanding balances of receivables and payables with the related parties as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions):

	Company name	March 31, 2025		
		Receivables and others (*1)	Payables and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 16,696	₩ 2,087	
	SABIC SK Nexlene Company Pte. Ltd.	916	79,316	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	139	25,088	
	Changzhou BTR New Material Technology Co.,Ltd.	11,886	43,633	
	Yemen LNG Company Ltd.	106,156	-	
	HSAGP ENERGY LLC	78,855	-	
	Ignis Therapeutics	769	8,809	
	Eurasia Tunnel	37,742	-	
	SK E&C JURONG Investment Singapore Pte., Ltd.	74,375	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	106,776	-	
	Yongin Ilban Industry Danji Co., Ltd.	1,925	172,389	
	Bloom SK Fuel Cell, LLC	7,868	-	
	Godeok Clean Energy Co., Ltd.	11,392	656	
	Chuncheon Green Energy Inc.	1,254	-	
	Boryeong LNG Terminal Co., Ltd.	17,100	1,462	
	F&U Credit Information Co., Ltd.	41	4,587	
	SK Hynix Inc.	886,000	280,984	
	Content Wavve Corp.	151,484	576	
	Best Oil Company Ltd.	54,864	24,477	
	Asia Bitumen Trading Pte. Ltd.	151	-	
	Huizhou EVE United Energy Co., Ltd.	54,645	112,776	
	Haman Green Energy Co., Ltd.	-	4,962	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	78,097	-	
	Goseong Green Power Co., Ltd.	62,026	1,458	
	Songsan Green Energy Co.,Ltd.	6,998	-	
	BLOOMENERGY CORPORATION	-	129,306	
	SK REIT Co., Ltd.	32,385	264,306	
	SMCore. Inc.	75	591	
	HCM001, LLC	77,193	-	
	Others	130,118	168,302	
	Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	7,920	29,520
		Happynarae Co., Ltd.	158	19,566
		SK hynix Semiconductor (China) Ltd.	49,933	261
SK hynix Semiconductor Hong Kong Ltd.		-	114,363	
Korea Nexlene Company		25,960	33	
Ulsan Aromatics Co., Ltd.		6,821	7,818	
SK Gas Co., Ltd.		41,930	74,126	
SK Chemicals Co., Ltd.		4,506	564	
SK Shieldus Co., Ltd.		32,347	38,548	
UNA Engineering Co., Ltd. (Formerly, Ubins Co., Ltd.)		-	6,992	
Ulsan GPS Corporation		2,167	967	
SK Bioscience Co., Ltd.		24,268	11,671	
Clean Energy REIT Co., Ltd		25,781	-	
SK Multi utility Co., Ltd.		634	4,113	
Others		72,643	61,936	
	₩ 2,302,994	₩ 1,696,243		

(*1) The Group recognized bad debt expense amounting to ₩ 590 million for the three-month period ended March 31, 2025 (for the three-month period ended March 31, 2024: bad debt expense of ₩948 million). The Group recognized the allowance for doubtful accounts amounting to ₩261,171 million and ₩260,581 million as of March 31, 2025 and December 31, 2024, respectively.

(*2) Although, not designated as related parties as defined in K-IFRS No. 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and the Fair Trade Act*.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

		December 31, 2024	
Company name		Receivables and others (*1)	Payables and others
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 101	₩ 2,550
	SABIC SK Nexlene Company Pte. Ltd.	6,287	17,306
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	-	-
	Changzhou BTR New Material Technology Co., Ltd.	18,551	-
	Yemen LNG Company Ltd.	105,566	-
	HSAGP ENERGY LLC	47,496	-
	Ignis Therapeutics	-	7,617
	Eurasia Tunnel	36,525	-
	SK E&C JURONG Investment Singapore Pte., Ltd.	74,375	-
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	104,469	-
	Yongin Ilban Industry Danji Co., Ltd.	1,925	217,601
	Bloom SK Fuel Cell, LLC	6,063	-
	Godeok Clean Energy Co., Ltd.	11,392	-
	Chuncheon Green Energy Inc.	1,254	-
	Boryeong LNG Terminal Co., Ltd.	6,025	-
	F&U Credit Information Co., Ltd. (*3)	64	5,057
	SK Hynix Inc.	652,928	299,523
	Content Wavve Corp.	151,618	604
	Best Oil Company Ltd.	94,515	7,493
	Asia Bitumen Trading Pte. Ltd.	5,046	-
	Huizhou EVE United Energy Co., Ltd.	54,540	105,290
	Daehan Kanggun BCN Co. Ltd.	28,889	-
	Haman Green Energy Co., Ltd.	-	4,962
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	78,097	-
	Goseong Green Power Co., Ltd.	62,026	1,458
	DCK One Co., Ltd. (*4)	99	-
	BLOOMENERGY CORPORATION	600	233,520
	SK REIT Co., Ltd. (*5)	28,384	273,437
	SMCore. Inc.	292	2,574
	HCM001, LLC	76,582	-
Others	432,706	62,306	
Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	9,797	-
	Happynarae Co., Ltd.	5,169	15,472
	SK hynix Semiconductor (China) Ltd.	63,696	214
	SK hynix Semiconductor Hong Kong Ltd.	-	113,691
	Korea Nexlene Company	26,141	331
	Ulsan Aromatics Co., Ltd.	5,427	8,187
	SK Gas Co., Ltd.	4,273	50,111
	SK Chemicals Co., Ltd.	8,419	267
	SK Shieldus Co., Ltd.	50,169	37,573
	UNA Engineering Co., Ltd.	188	6,713
	Ulsan GPS Corporation	3,029	-
	SK Bioscience Co., Ltd.	11,384	480
	Clean Energy REIT Co., Ltd	26,233	196,768
	SK Multi utility Co., Ltd.	416	3,629
	Others	54,396	51,630
	₩ 2,355,152	₩ 1,726,364	

(*1) The Group recognized bad debt expense and reversal of bad debt each amounting to ₩88,362 million for the year ended December 31, 2024 (for the year ended December 31, 2023: bad debt expense of ₩1,134 million, write-off and others of ₩(-)103,505 million). The Group recognized the allowance for doubtful accounts amounting to ₩260,581 million and ₩172,219 million as of December 31, 2024 and 2023, respectively.

(*2) Although, not designated as related parties as defined in K-IFRS No. 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and the Fair Trade Act*.

(*3) It was classified as assets held for sale during the prior period.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

(*4) As the entire stake was sold during the period, it is no longer classified as a related party as of the end of the period.

(*5) During the prior period, the investment in subsidiary stocks was reclassified as investment in associate stocks.

(4) Details of significant financial transactions with related parties for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Company	Currency	For the three-month period ended			
		March 31, 2025		March 31, 2024	
		Loans	Collection	Loans	Collection
Yemen LNG Company Ltd.	KRW	831	-	843	-
KCMT Co., Ltd.	KRW	-	-	3,020	-
Samam Solar Co., Ltd.	KRW	107	(293)	-	-
Darwin LNG Pty Ltd.	KRW	-	-	22,201	-
SK Growth Opportunities Corporation	USD	-	-	900	-

(5) There were additional capital contribution transactions for investments in associates and joint ventures for the three-month periods ended March 31, 2025 and 2024 (See Note 9, 10).

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

(6) Guarantees provided among the Group entities as of March 31, 2025 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantor	Guarantee	Currency	Amount	Description of guarantee
SK Innovation Co., Ltd.	SK On Co., Ltd.	KRW	2,579,600	Guarantee of debt
	SK Earthon Co., Ltd.	USD	18,000	Guarantee of mandatory work load and others
	SK Battery Manufacturing Kft.	HUF	34,194,000	Guarantee of local factory construction
		USD	500,000	Guarantee of debt
	SK Battery America, Inc.	USD	700,000	Guarantee of debt
	BlueOval SK, LLC	USD	4,941,520	Guarantee of debt
		USD	4,161,000	Performance guarantees for invest
	E&S CITYGAS CO., LTD.	KRW	2,400,000	Performance guarantees for redemption of redeemable convertible preferred stock
	E&S CITYGAS BUSAN CO., LTD.	KRW	735,000	Performance guarantees for redemption of redeemable convertible preferred stock
	LNG Americas, Inc.	USD	942,581	Guarantee for derivative hedge and Others
	Paju Energy Service Co., Ltd.	KRW	160,000	Guarantee of debt
	Narae Energy Service Co., Ltd.	KRW	50,000	Guarantee of debt
		KRW	66,504	Performance guarantees for invest
	Yeoju Energy Service Co., Ltd.	KRW	200,000	Guarantee of debt
	Prism Energy International Pte. Ltd.	USD	480,000	Guarantee for derivative hedge and Others
	IGE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.	USD	329,737	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.			Guarantee for BU gas field recovery cost
SK On Co., Ltd.	Grid Solution LLC	USD	60,000	Guarantee of LC
	SK On Hungary Kft.	USD	2,445,000	Guarantee of loan related
	SK Battery America, Inc.	USD	2,580,000	Guarantee of loan related
	SK Battery Manufacturing Kft.	USD	1,030,000	Guarantee of loan related
	SK On Yancheng Co., Ltd.	CNY	4,300,000	Guarantee of loan related
	SK On Jiangsu Co., Ltd.	CNY	1,760,000	Guarantee of loan related
SK Innovation Co., Ltd. and SK On Co., Ltd.	BlueOval SK, LLC	USD	9,883,040	Guarantee of loan related and others
	SK On Hungary Kft.	HUF	9,809,730	Guarantee of local factory construction
SK ie technology Co., Ltd.	SK Hi-Tech Battery Materials (Jiang Su) Co., Ltd	CNY	480,000	Guarantee of debt
	SK hi-tech battery materials Poland sp. z o.o.	USD	719,200	Guarantee of debt
SK Energy International Pte., Ltd.	SK Energy Europe, Ltd.	USD	135,000	Guarantee of PCG
SK Geo Centric Co., Ltd.	SK Energy Americas, Inc.	USD	325,000	Guarantee of PCG
	SK GC Americas, Inc.	USD	140,000	Guarantee of loan related
PRISM Energy International Americas, Inc.	SK Functional Polymer, S.A.S.	EUR	161,000	Guarantee of loan related
	LNG Americas, Inc.	USD	106,842	Performance guarantee for contract and others
Prism Energy International China Limited	PassKey, Inc.	USD	52,313	Performance guarantee for contract
SK Ecoplant Co., Ltd	Prism Energy International Zhoushan Limited	CNY	14,780	Guarantee of Terminal fee
	Silvertown Investco Limited	GBP	10,671	Debt guarantee
	SK Ecoplant Americas Corporation	USD	68,000	Guarantee of debt and others
	RenewUs Co., Ltd.	KRW	10,412	Fund supplement agreement for loan Agreement
	Renewland Singyeongju Co., Ltd.	KRW	90,300	Cash deficiency support
	ECO FRONTIER (SINGAPORE) PTE. LTD.	USD	420,000	Guarantee of payment and others
	SK Ecoengineering Co., Ltd.	KRW	255,654	Joint liability joint debt
	SK Oceanplant Co., Ltd.	KRW	155,883	Performance guarantee for contract
	SEONGJU TECH CO.,LTD.	KRW	17,000	Conditional debt acquisition
	HOLRIDEU 1ST CO.,LTD.	KRW	81,399	Cash deficiency support
	KARON 1ST CO.,LTD.	KRW	79,540	Cash deficiency support
	MISAN 1ST CO.,LTD.	KRW	90,464	Cash deficiency support and Joint guarantee
	DS 1ST CO.,LTD.	KRW	95,240	Cash deficiency support and Joint guarantee
	WALEEALIEE 1ST CO.,LTD.	KRW	134,701	Cash deficiency support and Joint guarantee
	ELEECHIKAELEDEURAEGON 2ND CO.,LTD.	KRW	74,370	Joint guarantee
	WALEEWON 1ST CO.,LTD.	KRW	55,619	Cash deficiency support
	ELLEEDI 1ST CO.,LTD.	KRW	125,015	Cash deficiency support
	WALEEWON 2ND CO.,LTD.	KRW	283,777	Cash deficiency support
	BIWALEE 2ND CO.,LTD.	KRW	27,750	Cash deficiency support

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

33. Transactions with related parties (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee
RenewUs Co., Ltd.	Renew Liquid Honam Co., Ltd.	KRW	4,000	Guarantee of debt
	Gyeongsan Clean Water Way Co., Ltd.	KRW	8,200	Guarantee of loan agreement
SK Networks Co., Ltd.	SK Networks (Xiamen) Steel Processing Center Co., Ltd.	CNY	68,000	Standing surety for investee
	SK Networks Hong Kong Ltd.	USD	76,600	Standing surety for investee
SKC Co., Ltd.	Absolics Inc.	USD	187,000	Guarantee of payment
	SK Nexilis Co., Ltd.	KRW	185,000	Cash deficiency support
SK Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	550,367	Guarantee of debt
	SK Siltron USA, Inc.	USD	343,000	Guarantee of debt
SK Pharmteco Inc.	Center For Breakthrough Medicines Holdings, LLC	USD	20,000	Performance guarantee for contract
	Yposkesi, SAS	EUR	20,000	Guarantee of payment
SK Biotek Co., Ltd.	SK Biotek Ireland Limited	USD	20,000	Guarantee for credit limit
		EUR	10,000	Guarantee for EPA

(7) Compensation for key management personnel of the Group for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Salaries	₩ 2,018	₩ 2,627
Provision for pension benefits	551	857
Share-based payment expenses	280	1,105
	₩ 2,849	₩ 4,589

34. Discontinued operations

(1) Details of discontinued operations

The Parent Company decided to sell a portion of its shares in SK Specialty Co., Ltd., and classified shares as assets held for sale for the year ended December 31, 2024. Consequently, related profits and losses as profit or loss of discontinued operations and the sales were fully completed for the three-month period ended March 31, 2025.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations with the sale of its China business and to discontinue operations of SK Magic's home appliance division and reclassify it as assets held for sale before the year ended December 31, 2024.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations of its rental car division with the sale of shares in SK Rent-a-Car Co., Ltd. and completed the sale of its rental car for the year ended December 31, 2024.

SKC Co., Ltd., a subsidiary of the Group, decided to sell its entire issued shares of the Wet Chemical and Cleaning Business, Fine Ceramic Business Division, SK Pucore Co., Ltd., and SKC (Nantong) PU Specialty Co., Ltd. in China before the year ended December 31, 2024. Accordingly, the related profits and losses were classified as profit or loss of discontinued operations, and the sales were fully completed for the year ended December 31, 2024.

SKC Co., Ltd., a subsidiary of the Group, decided for the year ended December 31, 2024, as per the resolution of its board of directors, to sell the CMP PAD business division of SK ENPULSE CO., LTD. and the thin-film business of SK Nexilis Co., Ltd., and to sell Ultimus Co., Ltd. Accordingly, the related profits and losses were classified as profit or loss of discontinued operations.

SKC Co., Ltd., a subsidiary of the Group, liquidated Allnewone Co., Ltd. for the year ended December 31, 2024, in accordance with the decision made at the extraordinary general meeting of shareholders. Accordingly, the related profits and losses were classified as profit or loss of discontinued operations.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

34. Discontinued operations (cont'd)

(2) Gain and loss from the discontinued operation for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025				Total
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.		
Sales	₩ 3,067	₩ 19,479	₩ 179,109	₩	201,655
Expense	6,805	20,814	223,706		251,325
Recognized gains as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	660	3,755	2,569,905		2,574,320
Income tax expense (benefit)	(437)	942	658,268		658,773
Profit (loss) for the period from discontinued operations	(2,641)	1,478	1,867,040		1,865,877
Attributable to:					
Owners of the Parent Company	(1,322)	668	1,867,040		1,866,386
Non-controlling interests	(1,319)	810	-		(509)

	For the three-month period ended March 31, 2024				Total
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.		
Sales	₩ 432,885	₩ 145,641	₩ 179,908	₩	758,434
Expense	417,098	157,175	156,786		731,059
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	(2,015)	131,314	-		129,299
Income tax expense	4,442	29,958	5,931		40,331
Profit for the period from discontinued operations	9,330	89,822	17,191		116,343
Attributable to:					
Owners of the Parent Company	4,475	40,650	17,191		62,316
Non-controlling interests	4,855	49,172	-		54,027

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

34. Discontinued operations (cont'd)

(3) Details of cash flows relating to discontinued operations for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2025		
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.
Cash flows from operating activities	₩ (8,648)	₩ 1,234	₩ 5,321
Cash flows from investing activities	461	(1,611)	61,395
Cash flows from financing activities	85	360	(28,036)
Net foreign exchange effects	-	-	807
Increase (decrease) in cash and cash equivalents	₩ (8,102)	₩ (17)	₩ 39,487

	For the three-month period ended March 31, 2024		
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.
Cash flows from operating activities	₩ 63,763	₩ (26,788)	₩ 62,645
Cash flows from investing activities	(58,769)	386,373	(28,159)
Cash flows from financing activities	117,873	(4,140)	(29,064)
Net foreign exchange effects	-	-	(905)
Increase in cash and cash equivalents	₩ 122,867	₩ 355,445	₩ 4,517

35. Assets and liabilities held for sale

(1) Summary of assets and liabilities held for sale

The Parent Company decided to sell its entire stake in ESR Cayman Limited and classified related assets and liabilities as held-for-sale and measured them at fair value. Some of the shares were sold before the year ended December 31, 2024 and the disposal of the remaining shares is currently in progress.

The Parent Company decided to sell its entire stake in SOCAR, Inc. and classified related assets and liabilities as held-for-sale and measured them at the lower of their carrying amounts and fair value less costs to sell. Meanwhile, the Parent Company completed the sale of some of its shares (2,936,225 shares) during the three-month period ended December 31, 2024, and the gains and losses on disposal recognized in connection with the sale of the shares are ₩20,847 million.

The Parent Company decided to sell a portion of stake in SK Specialty Co., Ltd, and classified related assets and liabilities as held-for-sale and the sales were fully completed for the three-month period ended March 31, 2025.

The Parent Company decided to sell its entire stake in ION Clean Energy, Inc. and classified related assets and liabilities as held-for-sale and measured them at the lower of their carrying amounts and fair value less costs to sell.

The Parent Company decided to sell its entire stake in SK powertech, Inc. and classified related assets and liabilities as held-for-sale and measured them at the lower of their carrying amounts and fair value less costs to sell.

Saturn Agriculture Investment Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in Joyvio Group Co., Ltd. and classified related assets and liabilities as held-for-sale and measured them at the lower of their carrying amounts and fair value less costs to sell.

According to the decision of the board of directors on the period before the year ended December 31, 2024, SKC Co., Ltd., a subsidiary of the Group, decided to sell all of the shares in SKC (Nantong) PU SPECIALTY CO., LTD. to Daejinhap Automotive Parts Limited and the sales were fully completed on January 31, 2024. SKC PU Specialty Co., Ltd. is in the process of liquidation, and as a result, the related assets and liabilities have been classified as held for sale.

According to the decision of the board of directors for the year ended December 31, 2024, SKC Co., Ltd., a subsidiary of the Group, decided to transfer the CMPPAD business division of SK Enpulse Co., Ltd. and the thin-film business of SK Nexilis Co., Ltd. as well as to sell Ultimus Co., Ltd.. Accordingly, the related assets and liabilities have been classified as held for sale. Meanwhile, SKC Co., Ltd. has granted a call option to acquire a portion of the land of SKC Co., Ltd. to Ascenta Sixth Floor Private Equity Limited Partnership, the transferee of the Thin Film Division.

According to the decision of the board of directors on August 22, 2024, SK Innovation Co., Ltd., a subsidiary of the Group, entered into a Conditional Share Purchase Agreement (CSPA) to sell a portion of its stake in PT. Patra SK, in which the Group holds joint control. The sale procedure is expected to be completed within 2025.

SK Ecoplant Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in Ascend Elements, Inc., and accordingly, after partially selling the shares during the year ended December 31, 2024, the remaining shares were classified as held-for-sale non-current assets.

35. Assets and liabilities held for sale (cont'd)

SK Telecom Co., Ltd., a subsidiary of the Group, decided to sell its entire stakes in Nate Communications Co., Ltd. (formerly SK Communications Co., Ltd.) and SK M&Service Co., Ltd. Accordingly, the assets and liabilities of Nate Communications Co., Ltd. and SK M&Service Co., Ltd. were classified as held for sale, and the sales were fully completed for the three-month period ended March 31, 2025.

Also, the disposal of shares in F&U Credit Information Co., Ltd. was completed on April 4, 2025.

Tmap Mobility Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in UT LLC, an equity-method investee, to Uber B.V. following the approval of the board of directors on December 19, 2024. As a result, the entire stake in the equity-method investee was classified as a held-for-sale non-current asset. The transaction is expected to be completed in May 2025.

Dreamus Company Co., Ltd., a subsidiary of the Group, decided to transfer its entire iRiver business division to Miwang Co., Ltd. following the approval of the board of directors on December 30, 2024. As a result, the disposal group related to the business division was classified as held for sale. The transfer of the related assets and liabilities was completed on February 28, 2025.

SK Square Co., Ltd., a subsidiary of the Group, entered into a share disposal contract to exchange the entire stakes in id Quantique SA with equity interests of IonQ, Inc., a consolidated subsidiary, following the approval of the board of directors for the three-month period ended March 31, 2025. As a result, the assets and liabilities held by id Quantique SA have been classified as held for sale.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

35. Assets and liabilities held for sale (cont'd)

(2) Details of assets and liabilities held for sale as of March 31, 2025 and December 31, 2024, are as follows (Korean won in millions):

		March 31, 2025	
		Assets	Liabilities
Investment securities	ESR Cayman Limited	₩ 226,800	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	883	-
	P&I Cultural Innovation Investment Association	818	-
	ION Clean Energy, Inc	23,464	-
	Other Investment securities	107,184	-
	Business segment		
	China business segment	83,235	5,660
Home appliances business segment	3,372	-	
Semiconductor materials business segment	84,153	2,793	
Thin-film business segment	99,759	5,902	
Subsidiaries	Ultimus Co., Ltd.	24,916	433
	SK powertech	104,029	61,544
	id Quantique SA	148,105	27,252
Associates	SOCAR, Inc.	41,841	-
	DAEKYO Contents Investment Fund I	746	-
	F&U Credit Information Co., Ltd.	11,138	-
	Joyvio Group Co., Ltd.	137,836	-
	Vingroup JSC (*)	600,243	-
	Masan Group Corporation (*)	56,841	-
	Ascend Elements, Inc.	31,590	-
	UT LLC	5,471	-
Joint operations	Partial stake in PT. Patra SK	28,652	1,229
Others	Property, plant and equipment	6,134	-
		<u>₩ 1,830,605</u>	<u>₩ 104,813</u>

(*) Partially sold for the three-month period ended March 31, 2025.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

35. Assets and liabilities held for sale (cont'd)

		December 31, 2024	
		Assets	Liabilities
Investment securities	ESR Cayman Limited	₩ 221,536	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment Association	818	-
	Other Investment securities	107,238	-
	Business segment	China business segment	81,830
Home appliances business segment		5,316	-
Semiconductor materials business segment		84,188	3,109
Thin-film business segment		96,939	1,939
IRIVER business division		9,426	4,423
Subsidiaries	SK Specialty Co., Ltd.	1,378,158	861,591
	Ultimus Co., Ltd.	24,838	386
	SK Communications Co., Ltd., SK M&Service Co., Ltd.	151,726	106,352
Associates	SOCAR, Inc.	53,439	-
	DAEKYO Contents Investment Fund I	746	-
	F&U Credit Information Co., Ltd.	11,138	-
	Joyvio Group Co., Ltd.	138,165	-
	Vingroup JSC	541,581	-
	Maroon Bells	22,050	-
	Masan Group Corporation	112,078	-
	Ascend Elements, Inc.	31,590	-
UT LLC	5,471	-	
Joint operations	Partial stake in PT. Patra SK	31,743	5,418
Others	Property, plant and equipment and others	9,596	-
		<u>₩ 3,123,889</u>	<u>₩ 986,774</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

36. Cash flow information

(1) Details of non-cash adjustments for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Provision for pension benefits	₩ 101,828	₩ 102,517
Depreciation	1,692,859	1,783,501
Amortization	435,849	466,479
Bad debt expenses	15,541	14,891
(Reversal of) Valuation loss on inventories	87,592	(185,908)
Interest expenses	871,412	929,774
Loss on foreign currency translation	238,264	433,059
Loss on valuation of derivatives	543,167	382,718
Loss on disposal of trade receivables	10,906	23,973
Loss on impairment of investments in associates and joint ventures	15,617	167
Loss on disposal of property, plant and equipment	2,591	6,557
Loss on impairment of property, plant and equipment	359	1,146
Loss on disposal of intangible assets	988	1,196
Loss on impairment of intangible assets	7,589	2,769
Tax expense	(82,460)	499,418
Share of profit of equity-accounted investees, net	(1,794,372)	(457,130)
Interest income	(239,466)	(252,367)
Gain on foreign currency translation	(325,113)	(293,946)
Gain on valuation of derivatives	(108,258)	(373,945)
Dividend income	(25,538)	(23,063)
Gain on disposal of investments in associates and subsidiaries	(294,640)	(35,392)
Reversal of loss on impairment of investments in associates	(176,405)	(9,434)
Gain on disposal of property, plant and equipment	(5,211)	(13,315)
Gain on disposal of intangible assets	(7,866)	(6,718)
Gain on disposal of assets held for sale	(1,369)	(130,839)
Others	1,125,902	93,238
	₩ 2,089,766	₩ 2,959,346

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

36. Cash flow information (cont'd)

(2) Details of working capital adjustments for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Inventories	₩ (307,235)	₩ (899,901)
Trade receivables	(850,664)	(240,646)
Other receivables	2,336,697	226,252
Trade payables	291,118	1,902,832
Other payables	(6,351,569)	(2,991,410)
Advances received	(1,889)	61,221
Retirement benefits	(256,080)	(190,133)
Plan assets	274,021	246,687
Others	(43,278)	81,533
	<u>₩ (4,908,879)</u>	<u>₩ (1,803,565)</u>

(3) Significant non-cash transactions for the three-month periods ended March 31, 2025 and 2024 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2025	March 31, 2024
Increase (decrease) in other payables due to acquisition of property, plant and equipment and others	₩ (1,841,555)	₩ 464,735

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies

(1) Guarantees provided for the Group as of March 31, 2025 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Seoul Guarantee Insurance	KRW	9,038	Performance guarantees for contract and others
	Korea Software Financial Corporation	KRW	616,939	Performance guarantees for contract and others
SK Signet Inc.	Seoul Guarantee Insurance	KRW	31,854	Performance guarantee Insurance and others
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW	175	Performance guarantee for sales contract
SK Forest Co., Ltd.	Seoul Guarantee Insurance	KRW	20,000	Guarantee of warranties-contract
	Construction Guarantee Cooperative	KRW	76,763	Guarantee of warranties-contract
SK materials Group14 Co., Ltd.	Seoul Guarantee Insurance	KRW	11,866	Gas usage fee payment guarantee and others
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	759	Performance guarantees for contract
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	28,627	Guarantee of warranties-contract
	Korea Content Financial Cooperative	KRW	93,000	Guarantee of warranties-contract
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	1,567	Performance guarantees and others
Service Ace Co., Ltd.	Seoul Guarantee Insurance	KRW	46	Guarantee of bid payment and others
SK O&S Co., Ltd.	Seoul Guarantee Insurance	KRW	50,000	Performance guarantees for contract and others
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	37	Specific debt guarantee
SK Store Co., Ltd.	Kookmin Bank	KRW	1,240	Performance guarantees and others
Dreamus company Co., Ltd.	Seoul Guarantee Insurance	KRW	1,768	Performance guarantees for contract
Seoul Airbus Co., Ltd.	Seoul Guarantee Insurance	KRW	72	Performance guarantee insurance for contract and others
GOOD SERVICE Co., LTD.	Seoul Guarantee Insurance	KRW	183	Performance guarantees for contract
YLP inc.	Seoul Guarantee Insurance	KRW	1,775	Deposit guarantees and others
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	3,108	Deposit guarantees and others
11street Co., Ltd.	Seoul Guarantee Insurance	KRW	24,581	Guarantee of deposit on lease and others
	KEB Hana Bank	KRW	2,000	Guarantee of Korean won
FSK L&S Co., Ltd.	Seoul Guarantee Insurance	KRW	5,364	Performance guarantees for contract and others
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	18,263	Performance guarantees and others
	KEB Hana Bank	KRW	3,000	Performance guarantees and others
SK Networks Co., Ltd.	Seoul Guarantee Insurance	KRW	6,791	Performance guarantees for contract and others
SK Speedmate Co., Ltd.	Seoul Guarantee Insurance	KRW	839	Performance guarantees for contract and others
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	11,820	Performance guarantees for sales contract
SK Magic Co., Ltd.	Seoul Guarantee Insurance	KRW	12,631	Performance insurances for warranties and others
EN-CORE CO., LTD.	Seoul Guarantee Insurance	KRW	1,739	Performance guarantees for contract
SK Biotek Co., Ltd.	Seoul Guarantee Insurance	KRW	6,556	Performance guarantees for contract and others

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Innovation Co., Ltd.	Seoul Guarantee Insurance	KRW	525	Performance guarantees for contract
	Kookmin Bank	USD	80,000	Guarantee of debt
	Shinhan Bank	KRW	23,346	Guarantee of debt
	BNP Paribas	USD	80,000	Guarantee of debt
		USD	71,000	PPA Bid Guarantee
		AUD	305,000	Guarantee of potential tax liabilities
SK On Co., Ltd.	KEB Hana Bank and others	USD	972,563	Bond Principal and Interest Guarantee
Netruck Co., Ltd	Seoul Guarantee Insurance	KRW	4,611	Performance guarantees for contract and others
SK Incheon Petrochem Co., Ltd	KPIOCEANCONNECT PTE.LTD. and others	USD	338,363	Export L/C, Import L/C
ONEPOL Co., Ltd.	Seoul Guarantee Insurance	KRW	965	Performance guarantees for contract and others
Blueoval SK LLC	Ford Motor Company	USD	125,000	Incentive guarantee
SK Battery America, Inc.	Kookmin Bank	USD	500,000	Performance guarantees and others
SK ON Hungary Kft.	ING BANK HUNGARY BRANCH	HUF	84,200,000	Investment in Ivánca incentive guarantee
		EUR	1,200	Investment performance guarantees following the receipt of investment incentive
Yeongnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,129	Guarantee of warranties and approval
Chonnam City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	145	Performance insurances for warranties and gas bill guarantee
Busan City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	4,030	Guarantee of seizure contract and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	210	Performance guarantees and
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,155	Performance guarantees for approval
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	827	Performance guarantees for contract and warranties
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,805	Performance insurances for warranties and others
Paju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	916	Performance guarantees for contract
Narae Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	18	Performance guarantees for approval and others
Yeoju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,455	Guarantee of seizure contract and others
Busan Jungkwan Energy Co., Ltd.	Seoul Guarantee Insurance	KRW	30,583	Performance guarantees for deposit on approval and others
BU12 Australia Pty. Ltd.,	ANZ Bank	USD	329,737	Guarantee of seizure contract and others
BU13 Australia Pty. Ltd.,	ANZ Bank	AUD	219	BU gas field recovery cost
PRISM Energy International Australia	ANZ Bank	AUD	219	Deposit on lease
SK Ecoplant Co., Ltd.	HSBC and others	USD	258,602	Performance guarantees for overseas construction and others
		TRY	26,816	Performance guarantees for overseas construction and others
		KWD	44,741	Performance guarantees for overseas construction and others
		QAR	77,591	Performance guarantees for overseas construction and others
		HKD	37,621	Performance guarantees for overseas construction and others
		NOK	370,295	Performance guarantees for overseas construction and others
	KEB Hana Bank	USD	109,553	Performance guarantees for overseas construction and others
		GBP	18,900	Performance guarantees for overseas construction and others
		EUR	84,938	Performance guarantees for overseas construction and others
	Korea Eximbank	USD	90,969	Performance guarantees for overseas construction and others
	Korea Housing Guarantee Co., Ltd.	NOK	136,302	Performance guarantees for overseas construction and others
	Seoul Guarantee Insurance	KRW	6,465,093	Performance guarantees for overseas construction and others
	Engineering Financial Cooperative	KRW	327,445	Performance guarantees for domestic construction and others
	Construction Guarantee Cooperative	KRW	922,047	Performance guarantees for domestic construction and others
	Korea Trade Insurance Corporation	KRW	4,370,469	Performance guarantees for domestic construction and others
	Korea Housing Guarantee Co., Ltd.	USD	95,000	Insurance of overseas investment

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee	
SK Oceanplant Co.,Ltd.	Industrial Bank of Korea	USD	1,235	WBOND	
	United Overseas Bank Ltd.	USD	85,000	PBOND and WBOND	
	Korea Defense Guarantee Cooperative and others	KRW	512,531	PBOND and APBOND	
	Busan Bank		KRW	5,500	Guarantee of Korean won
			USD	851	PBOND
	Korea Development Bank	KRW	3,000	Guarantee of Korean won	
	Seoul Guarantee Insurance		KRW	250,453	Guarantee of payment and others
			EUR	3,649	Guarantee of payment and others
			USD	9,336	Guarantee of payment and others
	Korea Construction Resource Mutual Aid Association and others		USD	840	Borrowing and guarantee insurance-related joint guarantee
			EUR	1,990	Borrowing and guarantee insurance-related joint guarantee
	Korea Eximbank	USD	8,413	Performance guarantees for contract and others	
	Shinhan Bank		KRW	27,710	Guarantee of Korean won
			USD	1,871	Guarantee of foreign currencies
			EUR	1,658	Guarantee of foreign currencies
	Machinery Financial Cooperative	KRW	65,529	Advance payment guarantee	
	Construction Guarantee Cooperative	KRW	3,742	Warranties	
	KEB Hana Bank		KRW	92,705	Guarantee of Korean won
			USD	25,279	Guarantee of foreign currencies and others
	Korea Trade Insurance Corporation	USD	18,325	Guarantees for overseas sales	
SK Ecoengineering Co., Ltd.	SWISSRE	USD	75,000	Payment Guarantee	
	Construction Guarantee Cooperative	KRW	546,247	Payment Guarantee and performance guarantees for construction	
	Kookmin Bank	USD	25,000	Guarantee of foreign currencies and others	
	Busan Bank	USD	15,000	L/C	
	Seoul Guarantee Insurance	PLN	3,746	Performance guarantee	
		KRW	124	Payment guarantee and performance guarantee	
	Engineering Financial Cooperative	KRW	99,774	Payment guarantee and performance guarantee	
	Woori Bank	USD	5,672	Foreign currency payment guarantee	
	RenewUs Co., Ltd.	Construction Guarantee Cooperative	KRW	35,369	Performance guarantees for business, construction, warranties and others
		Seoul Guarantee Insurance	KRW	110,901	Performance guarantees for contract, payment, construction, advance payment and others
Engineering Financial Cooperative		KRW	172,427	Guarantees for contract, warranties and others	
ECO FRONTIER (SINGAPORE) PTE. LTD.	MAYBANK SINGAPORE LIMITED	SGD	752	BANKERSGUARANTEE	
Topsun Co.,Ltd.	Seoul Guarantee Insurance	KRW	68,061	Guarantees for bid, contract, defect and others	
	Koea credit guarantee fund	KRW	8,650	Guarantee of debt	
	Electric contractors' financial cooperative	KRW	29,014	Guarantees for bid, contract, defect and others	

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
Renewcon Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	686	Performance guarantees for contract and others
Renewenergy Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	225	Performance guarantee insurance for contract and others
Renewenergy Green Co., Ltd.	Seoul Guarantee Insurance	KRW	1,426	Abandoned waste disposal performance guarantee
Renewenergy Saehan Co., Ltd.	Seoul Guarantee Insurance	KRW	1,179	Performance guarantees for approval and contract and others
Renewenergy Jeonnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,408	Performance guarantee insurance for contract and others
Renewenergy Chungnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,006	Performance contract and others
Renewenergy Chungbuk Co., Ltd.	Seoul Guarantee Insurance	KRW	4,312	Commodity payment guarantee insurance and others
Renewland Cheongju Co., Ltd.	Seoul Guarantee Insurance	KRW	16,072	Performance guarantees for contract and approval and others
SK Airplus Incorporated.	Seoul Guarantee Insurance	KRW	115	Performance guarantees for approval and contract and others
SKC Co., Ltd	KEB Hana Bank	KRW	102,000	Bond payment guarantee
	Woori Bank	KRW	58,500	Bond payment guarantee
SK Nexilis Co., Ltd.	Seoul Guarantee Insurance	KRW	10,744	Performance guarantees for deposits and others
SK Nexilis Poland sp.z o.o.	ING BANK SLASKI S.A	PLN	38,187	Execution of land purchase contract / Payment guarantee

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

(2) Guarantees provided to others as of March 31, 2025 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee	
SK Ecoplant Co., Ltd.	BS Hanyang Inc	KRW	25,793	Joint and several liability under joint contracts	
	Samsung C&T Corporation	KRW	987	Joint and several liability under joint contracts	
	Daewoo Engineering & Construction Co., Ltd.	KRW	139,882	Joint and several liability under joint contracts	
	Samco Construction Co., Ltd.	KRW	1,241	Joint and several liability under joint contracts	
	EAST SEOUL UNDERPASS COMPANY	KRW	16,629	Performance guarantee	
	Smartrail Co., Ltd.	KRW	42,861	Performance guarantee	
	KCMT Co., Ltd.	KRW	5,203	Joint guarantee for investment attraction subsidy	
	KT Corporation	KRW	2,015	LTSA additional guarantee	
	ChangwonEnerPark Co., Ltd.	KRW	6,870	LTSA additional guarantee	
	SE Greenenergy Co.,Ltd.	KRW	12,000	LTSA additional guarantee	
	Paju EcoEnergy Co., Ltd.	KRW	11,974	LTSA additional guarantee	
	Korea East-West Power Co., Ltd.	KRW	72,693	LTSA additional guarantee	
	Korea Midland Power Co., Ltd.	KRW	6,688	LTSA additional guarantee	
	Korea Western Power Co., Ltd.	KRW	85,950	LTSA additional guarantee	
	KPE Green Energy Co., Ltd.	KRW	12,000	LTSA additional guarantee	
	Gangneung Sacheon Fuelcell Co.,Ltd	KRW	16,000	LTSA additional guarantee	
	Chuncheon Green Energy Inc.	KRW	23,756	LTSA additional guarantee	
	Seokmun Green Energy Co., Ltd.	KRW	12,000	LTSA additional guarantee	
	SBC General Trading & Const.Co.W.L.L.	KWD	3,500	Credit limit guarantee	
	Sejong Venture Valley Industrial Complex Co., Ltd.	KRW	23,700	Conditional assumption of debt	
	HCM001, LLC	USD	102,757	Performance guarantee and others	
	HCS001, LLC	USD	171,997	Performance guarantee	
	QH Oil Investments LLC	USD	33,544	Compensation guarantee	
	KB Real Estate Trust Co., Ltd.	KRW	87,543	Sales guarantee for housing units	
	Woori Asset Trust Co.,Ltd	KRW	217,964	Sales guarantee for housing units	
	RenewUs Co., Ltd.	Geochang Malgunmool Sarang Co.,Ltd.	KRW	1,586	Guarantee of debt payment
		Gyeongsan Pure Water Co. Ltd.	KRW	887	Guarantee of debt payment
		GYEONGSAN CLEAN ENERGY CO.,LTD	KRW	5,013	Guarantee of debt payment and others
		KIMHAE CLEAN WATER LOAD CO.,LTD.	KRW	1,952	Guarantee of debt payment
		Dongbugwon Puleunmul co., LTD.	KRW	668	Guarantee of debt payment
FUTURE ENVIRONMENTAL ENERGY CO.,LTD.		KRW	2,646	Guarantee of debt payment	
ASAN GREEN ENVIRONMENT CO., LTD.		KRW	2,489	Guarantee of debt payment	
ASANSOHEO.Corporation		KRW	2,024	Guarantee of debt payment	
Yangyang Clean Water Road Co., Ltd.		KRW	231	Guarantee of debt payment	
YEONGJU SMC CO.,LTD.		KRW	867	Guarantee of debt payment	
ULJIN CLEAN WATER LOAD CO.,LTD.		KRW	645	Guarantee of debt payment	
The 2nd Yangsan Eco Line Co., Ltd		KRW	4,230	Guarantee of debt payment	
Jinan Bio Energy Co., Ltd.	KRW	2,714	Guarantee of debt payment and others		

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
RenewUs Co., Ltd.	Jinju Echo Line Co.,Ltd.	KRW	11,195	Guarantee of debt payment
	Cheonan Clean Water Road Co., Ltd.	KRW	5,635	Guarantee of debt payment
	Chuncheon Clean Water Load CO., Ltd	KRW	2,405	Guarantee of debt payment and others
	Pyeongtaek Ecopia Co.,Ltd.	KRW	7,771	Guarantee of debt payment
	POHANG CLEAN WATER CO.,LTD.	KRW	10,469	Guarantee of debt payment
	Pohang New Water Road CO., Ltd.	KRW	1,743	Guarantee of debt payment
	Pureun Seobu Environment Co., Ltd.	KRW	1,748	Guarantee of debt payment
	HONGSUNG CO.,LTD.	KRW	6,153	Guarantee of debt payment
	Asan-Songak Mul-gil Inc.	KRW	912	Performance guarantee
	Topsun Co.,Ltd.	Bodae Energy Co., Ltd.	KRW	23
Sannari Solar Co., Ltd.		KRW	25	Seoul Guarantee Insurance joint guarantee
Solar Ocean Co., Ltd		KRW	31	Seoul Guarantee Insurance joint guarantee
Songgo Energy Co., Ltd.		KRW	24	Seoul Guarantee Insurance joint guarantee
Jang G Solar Co., Ltd.		KRW	24	Seoul Guarantee Insurance joint guarantee
TOPTECH ENERGY CO.,LTD.		KRW	14,699	Seoul Guarantee Insurance joint guarantee
TS ENERGY NO.13 CO.,LTD.		KRW	9	Seoul Guarantee Insurance joint guarantee
TS ENERGY NO.2 CO.,LTD.		KRW	19	Seoul Guarantee Insurance joint guarantee
SK Innovation Co., Ltd.	SK Plug Hibus Co., Ltd.	KRW	22,363	Investment performance guarantee
	Jeonnam Offshore Wind Power Co., Ltd.	KRW	23,345	Investment performance guarantee
	Truston ESG Renewable Energy General Private Investment Trust No. 1, No. 2	KRW	31,108	Investment performance guarantee
	Boryeong LNG Terminal Co.,Ltd	KRW	310,000	Capital support for borrowings
Netruck Co., Ltd.	BizTalk Corporation and others	KRW	28	Electricity bill payment guarantee and others
SK Geo Centric Co., Ltd.	SABIC SK Nexlene Company Pte. Ltd.	USD	165,000	Guarantee of debt
Iberian Lube Base Oils S.A.	Puertos del Estado and others	EUR	1,127	Contingent loss guarantee related to construction in port authority land
SK Siltron Co., Ltd.	Chicago Title Insurance Company	USD	12,000	Title insurance guarantee
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	467	Performance bond insurance and others
Dreamus Company Co., Ltd.	Youngkwang Precision Industry Co., Ltd. and others	KRW	322	Performance guarantees for contract

37. Commitments and contingencies (cont'd)

SK Innovation Co., Ltd., a subsidiary, has the obligation to provide cash deficiency support for seven other PF loans in the event of excess project costs.

SK Innovation Co., Ltd., a subsidiary, provides performance guarantees for two vaporization service uses, five REC purchase agreements, six solar power facility operation and maintenance contracts, four continuous voyage charter agreements, one Joint Operating Agreement, one Location Swap contract, one medium-term contract, one Petronas contract, one SKAU contract, one SPA long-term contract, one liquefied terminal service fee, and four LOU agreements.

HSAGP Energy LLC, joint venture of the Group, is entering into agreements with the local government to receive incentives when certain conditions, such as employment and investment, are met. Meanwhile, Route On Delaware, Inc. ((hereinafter referred to as "ROD"), a subsidiary, provides performance guarantees for these incentive agreements. Additionally, SK On Co., Ltd, a subsidiary, has entered into a cash deficiency support agreement to cover potential shortfalls in the cash flows of HSAGP and ROD in the event that HSAGP fails to meet incentive conditions or has to bear compensation obligations for plant site damages such as environmental pollution.

SKC Co., Ltd., a subsidiary, has entered into a capital support agreement with the Korea Development Bank and other lenders to provide financial support in the event of a shortfall in principal and interest repayment funds related to the borrowings amounting to ₩185,000 million.

(3) PF contingencies

1) PF Summary table

As of March 31 2025, the Group provides credit enhancement up to a limit of ₩2,234,384 million (₩2,235,092 million as of December 31, 2024) with an outstanding loan balance of ₩1,853,445 million (₩1,821,314 million as of December 31, 2024) in relation to PF, of which ₩1,255,106 million (₩1,255,106 million as of December 31, 2024) for the Group alone and ₩598,339 million (₩566,028 million as of December 31, 2024) for the consortium participation project.

No contingencies were reclassified as provisions during the current period.

Of these, the Group is providing credit enhancement for loans to related parties amounting to ₩688,950 million (₩659,650 million as of December 31, 2024), with a guarantee limit ₩718,680 million (₩683,520 million as of December 31, 2024).

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

The details of the PF contingent liabilities related to maintenance work and other businesses are as follows (Korean won in millions):

Type	Contract	Guarantee limit	Guarantee amount	Loan balance 2025.03.31	Within 3 months	3 months ~ 6 months	6 months ~ 12 months	
Maintenance Business	Main PF	₩ 63,784	₩ 63,784	₩ 55,806	₩ -	₩ -	₩ -	
	Total	63,784	63,784	55,806	-	-	-	
Other Business	Bridge Loan	345,800	345,800	324,000	324,000	-	-	
	Main PF	1,049,500	1,034,800	875,300	-	220,000	325,300	
	Total	1,395,300	1,380,600	1,199,300	324,000	220,000	325,300	
Sole Business Total		₩ 1,459,084	₩ 1,444,384	₩ 1,255,106	₩ 324,000	₩ 220,000	₩ 325,300	
Maintenance Business	Main	Entire	₩ 240,691	₩ 190,742	₩ 151,092	₩ -	₩ 4,311	₩ -
	PF		238,479	188,529	149,248	-	4,311	-
	Total	Entire	240,691	190,742	151,092	-	4,311	-
Other Business	Bridge	Entire	30,314	30,314	30,314	30,314	-	-
		Loan	Group	5,441	5,441	5,441	5,441	-
	Main	Entire	625,760	567,760	522,300	295,000	227,300	-
Consortium Total	PF	Group	531,380	473,380	443,650	295,000	148,650	-
		Total	Entire	656,074	598,074	552,614	325,314	227,300
	Group	536,821	478,821	449,091	300,441	148,650	-	
Grand Total	Entire	Group	896,765	788,816	703,706	325,314	231,611	-
		Group	775,300	667,350	598,339	300,441	152,961	-
		₩ 2,355,849	₩ 2,233,200	₩ 1,958,812	₩ 649,314	₩ 451,611	₩ 325,300	
		2,234,384	2,111,734	1,853,445	624,441	372,961	325,300	

Type	Contract	Guarantee limit	Guarantee amount	Loan Balance 1 year~ 2 years	2 years ~ 3 years	Over 3 years	Loan balance 2024.12.31	
Maintenance Business	Main PF	₩ 63,784	₩ 63,784	₩ 19,000	₩ 10,234	₩ 26,572	₩ 55,806	
	Total	63,784	63,784	19,000	10,234	26,572	55,806	
Other Business	Bridge Loan	345,800	345,800	-	-	-	324,000	
	Main PF	1,049,500	1,034,800	-	330,000	-	875,300	
	Total	1,395,300	1,380,600	-	330,000	-	1,199,300	
Sole Business Total		₩ 1,459,084	₩ 1,444,384	₩ 19,000	₩ 340,234	₩ 26,572	₩ 1,255,106	
Maintenance Business	Main	Entire	₩ 240,691	₩ 190,742	₩ 128,668	₩ 8,620	₩ 9,493	₩ 148,392
	PF		238,479	188,529	126,824	8,620	9,493	146,548
	Total	Entire	240,691	190,742	128,668	8,620	9,493	148,392
Other Business	Bridge	Group	238,479	188,529	126,824	8,620	9,493	146,548
		Entire	30,314	30,314	-	-	-	29,582
	Loan	Group	5,441	5,441	-	-	-	5,310
Consortium Total	Main	Entire	625,760	567,760	-	-	-	493,700
		PF	Group	531,380	473,380	-	-	-
	Total	Entire	656,074	598,074	-	-	-	523,282
Grand Total	Entire	Group	536,821	478,821	-	-	-	419,660
		Entire	896,765	788,816	128,668	8,620	9,493	671,674
		775,300	667,350	126,824	8,620	9,493	566,208	
		₩ 2,355,849	₩ 2,233,200	₩ 147,668	₩ 348,854	₩ 36,065	₩ 1,926,780	
		2,234,384	2,111,734	145,824	348,854	36,065	1,821,314	

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

2) Detailed statement of Real Estate Project Financing (Loan) Guarantee

As of the end of the current period, the details of the PF (loan) guarantees for 19 maintenance projects and other related projects are as follows. In some agreements related to PF guarantees, there are events of acceleration of debt maturity worth ₩1,853,445 million (₩1,821,313 million as of December 31, 2024) when situations such as the borrower's failure to pay the amount due according to the financial contract, occurrence of a default event to the constructor or the borrower, or decline in the credit rating of the constructor occur (Korean won in millions):

Business type	Location	Type	PF	Credit enhancement type	Limit	Rate (*)	Amount (Group)	Affiliated
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ 12,786	100%	₩ 12,786	-
	Seoul	Apartment	Main PF	Joint guarantee	22,800	100%	22,800	-
	Seoul	Apartment	Main PF	Joint guarantee	12,281	100%	12,281	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	100%	9,544	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	100%	6,373	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	130,800	100%	130,800	-
	Pusan	Business facilities	Bridge loan	Cash deficiency support	215,000	100%	215,000	Y
	Daegu	Apartment	Main PF	Cash deficiency support	264,000	100%	264,000	-
	Daegu	Apartment	Main PF	Cash deficiency support and completion	445,500	100%	445,500	-
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	340,000	100%	325,300	Y
Sole business total					<u>₩ 1,459,084</u>		<u>₩ 1,444,384</u>	
Maintenance business	Gwangju	Apartment	Main PF	Joint guarantee	₩ 5,173	100%	₩ 5,173	-
	Seoul	Apartment	Main PF	Joint guarantee	17,520	100%	15,280	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	3,161	30%	949	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	10,344	100%	10,344	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	195,000	100%	147,290	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	100%	9,493	-
Other Business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	320,760	50%	178,380	Y
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	305,000	100%	295,000	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	30,314	18%	5,441	-
Consortium total					<u>₩ 896,765</u>		<u>₩ 667,350</u>	
Grand Total					<u>₩ 2,355,849</u>		<u>₩ 2,111,734</u>	

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

Business type	Location	Type	PF	Credit enhancement type	Loan balance		Term	Maturity	Type	Responsibility for completion amount
					March 31, 2025	December 31, 2024				
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ 10,655	₩ 10,655	19.10	28.10	Loan	₩ -
	Seoul	Apartment	Main PF	Joint guarantee	19,000	19,000	~28.10 22.02	27.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	10,234	10,234	~27.02 23.11	28.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	9,544	~28.02 24.10	29.09	Loan	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	6,373	~29.09 24.12	29.08	Loan	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	109,000	109,000	23.05 ~25.06	25.06	Loan, ABL, and Bond	-
	Pusan	Business facilities	Bridge loan	Cash deficiency support	215,000	215,000	23.09 ~25.05	25.05	Loan and ABCP Bond	-
	Daegu	Apartment	Main PF	Cash deficiency support	220,000	220,000	23.07 ~25.07	25.07	Bond	-
	Daegu	Apartment	Main PF	Cash deficiency support and completion	330,000	330,000	23.07 ~27.07	27.07	Loan and ABCP Bond	330,000
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	325,300	325,300	21.12 ~25.12	25.12	Loan	-
Sole business total					₩ 1,255,106	₩ 1,255,106				₩ 330,000
Maintenance business	Gwangju	Apartment	Main PF	Joint guarantee	₩ 4,311	₩ 4,311	20.07 ~25.08	25.08	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	12,734	12,734	21.12 ~26.12	26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	790	790	22.03 ~26.07	26.07	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	8,620	8,620	22.11 ~28.01	28.01	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	113,300	110,600	24.04 ~26.12	26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	9,493	24.11 ~29.11	29.11	Loan	-
	Other Business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	148,650	119,350	22.10 ~25.08	25.08	Loan
Gyeonggi-do		Distribution center	Main PF	Cash deficiency support	295,000	295,000	22.05 ~25.05	25.05	Loan	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	5,441	5,310	24.06 ~25.06	25.06	ABL	-
Consortium total					₩ 598,339	₩ 566,208				₩ 119,548
Grand Total					₩ 1,853,445	₩ 1,821,314				₩ 449,548

(*) For consortium-style projects or cases where the burden rate is 100%, there is no additional burden beyond the limit with parts procured or borrowed from each company, hence it was disclosed at 100%.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

3) Real Estate PF liability agreement

As of March 31, 2025 and December 31, 2024, the Group provides a contingent debt assumption agreement in case of failure to fulfill the completion guarantee as follows in relation to maintenance business and other businesses (Korean won in millions):

	March 31, 2025				December 31, 2024			
	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance	Number of Construction (cases)	Contract amount	Agreed amount	Loan balance
Maintenance business	-	₩ -	₩ -	₩ -	-	₩ -	₩ -	₩ -
Maintenance business (Group)	-	-	-	-	-	-	-	-
Other business	16	3,397,668	3,328,600	2,369,150	18	3,730,263	3,787,884	2,553,912
Other business (Group)	16	<u>3,397,668</u>	<u>3,290,848</u>	<u>2,331,398</u>	18	<u>3,730,263</u>	<u>3,749,796</u>	<u>2,515,824</u>
Total	16	₩ 3,397,668	₩ 3,328,600	₩ 2,369,150	18	₩ 3,730,263	₩ 3,787,884	₩ 2,553,912
Total (Group)	16	<u>3,397,668</u>	<u>3,290,848</u>	<u>2,331,398</u>	18	<u>3,730,263</u>	<u>3,749,796</u>	<u>2,515,824</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

4) Real Estate PF's Guarantee of construction progress payment

As of March 31, 2025, the Group has entered into an agreement to guarantee ₩202,606 million (₩212,606 million as of December 31, 2024) for the construction progress payment loans of the buyer's related to the renovation business. Furthermore, in relation to other businesses, it has made an agreement to guarantee ₩2,139,173 million (₩2,230,185 as of December 31, 2024) for the buyer's construction progress payment loans (Korean won in millions):

	March 31, 2025			December 31, 2024				
	Number of project (Cases)	Contract amount	Agreed amount	Loan balance	Number of project (Cases)	Contract amount	Agreed amount	Loan balance
Maintenance business	5	₩ 333,965	₩ 278,304	₩ 90,982	6	₩ 345,965	₩ 288,304	₩ 152,253
Maintenance business (Group)	5	243,127	202,606	77,043	6	255,127	212,606	100,772
Other business	15	2,583,007	2,139,173	894,409	15	2,692,222	2,230,185	863,639
Other business (Group)	15	2,583,007	2,139,173	894,409	15	2,692,222	2,230,185	863,639
Total	20	₩ 2,916,972	₩ 2,417,477	₩ 985,391	21	₩ 3,038,187	₩ 2,518,489	₩ 1,015,892
Total (Group)	20	2,826,134	2,341,779	971,452	21	2,947,349	2,442,791	964,411

5) Real Estate PF's SOC guarantee loan

As of March 31, 2025, the Group provides credit enhancement such as fulfillment and provision for the outstanding loan balance of ₩769,402 million (₩768,638 million as of December 31, 2024), up to a limit of the Group's share of ₩1,342,651 million (₩1,342,651 million as of December 31, 2024) in relation to borrowings, etc. of the SOC Corporation and the executor. Moreover, it is obliged to supplement funds in the event of a shortfall in the mandatory operating expenses of the SOC Corporation (Korean won in millions):

	March 31, 2025			December 31, 2024				
	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance
SOC	14	₩ 4,872,113	₩ 1,342,651	₩ 769,402	14	₩ 4,872,113	₩ 1,342,651	₩ 768,638

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

(4) Pending litigations

The Group's significant pending litigations as of March 31, 2025, in which the Group is a defendant are as follows (Korean won in millions and foreign currencies in thousands):

Defendant	Plaintiff	Description	Currency	Amount	Status
SK Inc.	ECS TELECOM CO., LTD	Claim for damages and others	KRW	2,902	Second trial in progress and others
One store Co., Ltd.	KYUNGmun Entertainment Co.,Ltd	Claim for cancellation of contract	KRW	679	First trial in progress
SK Telecom Co., Ltd.	NongHyup and others	Claim for damages and others	KRW	118,043	First trial in progress and others
SK Broadband Co., Ltd.	Republic of Korea and others	Claim for damages and others	KRW	9,102	First trial in progress and others
SK Networks Co., Ltd.	Durr Korea Inc. and others	Claim for payment of goods and others	KRW	2,072	First trial in progress and others
SK Networks Service Co., Ltd.	Doobis Co.,Ltd. and others	Claim for loan repayment and others	KRW	8,862	First trial in progress and others
SK Magic Service Co. Ltd	Individual and others	Claim for severance pay	KRW	789	First trial in progress
SK ENPULSE Co., Ltd.	POSCO Eco&Challenge Co., Ltd.	Claim for damages	KRW	4,000	The trial date is currently estimated
ISC Co., Ltd.	HANWHA CORPORATION and others	Claim for payment of construction and others	KRW	9,403	The third hearing is scheduled and others
SK Nexilis Co., Ltd.	Circuit Foil Luxembourg and others	Claim for damages and others	KRW	1,000	First trial in progress and others
SK Innovation Co., Ltd.	POSCO INTERNATIONAL CORPORATION	Claim for settlement payment	KRW	3,176	First trial in progress
Busan City Gas Co., Ltd.	HDC-labs Co., Ltd.	Claim for payment of construction	KRW	534	Second trial in progress
EverCharge, Inc.,	Individual	Claim for damages	USD	3,300	First trial in progress
Mobility Solution I, Inc.,					
Mobility Solution II, Inc.,					
PassKey, Inc.					
SK Ecoplant Co., Ltd.	PNPC	Claim for payment of construction	KRW	490,398	Arbitration in progress
	NSRP	Claim for payment of construction	KRW	128,759	Arbitration in progress
	GE	Claim for damages	KRW	47,661	Arbitration in progress
	TCS	Claim for the contract amount	KRW	26,552	First trial in progress
	AL-ESSAM and others	Claim for payment of construction	KRW	75,624	Second trial in progress and others
Topsun Co.,Ltd	Manhoyeomjeon Co., Ltd. and others	Claim for agreed payment and others	KRW	5,258	Second trial in progress and others
SK Oceanplant Co.,Ltd.	JEONJIN OCEAN DEVELOPMENT CO.,LTD. and others	Claim for payment of construction and others	KRW	2,473	First trial in progress and others
SAM KANG S&C Co., Ltd.	GTS KOREA Co., Ltd. and others	Claim for payment of construction and others	KRW	1,091	Second trial in progress and others
SK Ecoengineering Co., Ltd.	Korea Gas Corporation Co., Ltd. and others	Claim for damages and others	KRW	73,256	First trial in progress and others
Renewus Co., Ltd.	Siheung City and others	Claim for contribution payment and others	KRW	5,969	Second trial in progress and others

37. Commitments and contingencies (cont'd)

On May 15, 2021, SK Innovation Co., Ltd., a subsidiary of the Group, LG Chem Co., Ltd., and LG Energy Solution Co., Ltd., which was spun off from LG Chem Co., Ltd., entered into an agreement to withdraw all domestic and international disputes, be exempt from liabilities, prohibit similar or identical disputes for 10 years, and grant permanent licenses for trade secrets and patents. Accordingly, ₩1 trillion in cash was paid to LG Energy Solution Co., Ltd. from 2021 to 2022, and royalties of up to KRW 1 trillion, corresponding to a certain percentage of sales, will be paid to LG Energy Solution Co., Ltd. starting in 2023. Meanwhile, the Group has completed the cash payment of ₩1 trillion to LG Energy Solution Co., Ltd. and is recognizing royalties, corresponding to a certain percentage of sales, as an expense.

On May 4, 2020, the Attorney General Office of California, USA, filed a civil lawsuit in the California District Court located in San Francisco against Vitol Inc., SK On Co., Ltd. and SK Energy Americas Inc., the subsidiaries of the Group, for manipulating the market price of gasoline products and anti-competitive and unfair practices during the refinery explosion in 2015. Since May 6, 2020, end-users of gasoline have filed a number of collective lawsuits in California federal court.

Meanwhile, settlement agreements between the plaintiffs and defendants in the civil lawsuit in the state court and the class-action lawsuit in the federal court were reached in October 2023 and May 2024, respectively. In the case of the civil lawsuit in the state court, a settlement was reached for USD 50 million (USD 25 million each for SK entities, including SK On Co., Ltd. (pre-merger SK Trading International Co., Ltd. for the year ended December 31, 2024) and SK Energy Americas Inc., and Vitol Inc.). For the class-action lawsuit, a settlement was reached for USD 14 million (USD 7 million each for SK Energy Americas Inc. and Vitol Inc.). These amounts have been recorded as non-operating expenses for the years ended December 31, 2024 and 2023. The civil lawsuit in the state court was concluded on February 28, 2025, and the class action in the federal court was concluded on March 14, 2025, both upon the court's final approval of the parties' settlement agreement.

E&P business in 8th block of Peru, a subsidiary of SK Innovation Co., Ltd. has been suspended due to the liquidation of operator (Pluspetrol Norte S.A.) and the business is in progress of closing.

The Perupetro S.A., a Peruvian state-owned oil company and mining rights management agency, received an injunction from the local judiciary to suspend the liquidation procedure of the operator before to the year ended December 31, 2024 and the Peruvian Environmental Assessment and Supervision Authority (OEFA) fined the operator related to the restoration of the workplace and environmental pollution charge before the year ended December 31, 2024. As of the end of the current period, the cumulative amount claimed against SK Innovation Co., Ltd. is ₩11,279 million.

The Perupetro S.A. has filed international proceedings with the International Chamber of Commerce against the parties to the mining contract, including subsidiary SK Innovation Co., Ltd., in accordance with the dispute settlement clause in the mine contract to the effect that the mining right contract is not terminated only by the initiation of liquidation of the operator. The status of the arbitration is currently pending, and the final outcomes of the arbitration cannot be predicted at the moment.

Meanwhile, Metro Site in the state of Georgia, USA, filed a lawsuit against SK Battery America, Inc., a subsidiary, in the Georgia State Court on July 31, 2023, regarding a fire at a recycling facility. During the prior period, a settlement payment of USD 31 million was made, which has been reflected as a non-operating expense for the prior period in the consolidated financial statements. The settlement discussions for this case are ongoing, and the final outcome may change. Additionally, on May 3, 2024, the local government of Banks County, Georgia, filed a lawsuit against SK Battery America, Inc., seeking compensation for significant public resources used in fire suppression efforts. At present, the litigation amount, duration, and final outcome remain uncertain.

Individual A filed a lawsuit for damages against its subsidiary SK Battery America, Inc. on January 15, 2021. The relevant litigation value is USD 20 million, and the duration and final outcome cannot be predicted at this time.

37. Commitments and contingencies (cont'd)

The Korea Customs Service imposed fines of ₩15,255 million and ₩230 million on SK On Co., Ltd., a subsidiary of the Group, on January 8, 2025, based on Articles 15 and 32 of the Foreign Exchange Transactions Act, following a foreign exchange transaction inspection. SK On Co., Ltd., the subsidiary of the Group, has raised objections to the imposition of these fines and is currently undergoing a fine trial in accordance with the Non-Contentious Case Procedure Act. It is judged that the impact of this trial on the consolidated financial statements is not significant.

SKC Co., Ltd., a subsidiary of the Group, guarantees 50% of claim amounts related to the patent litigation filed by Kaneka Corporation against PI Advanced Materials Co., Ltd. As of March 31, 2025, the appeal of the lawsuit in the U.S. was rejected and the jury's verdict determined damages, but the final ruling was not made because some of the compensation for damages were not confirmed. Meanwhile, Kaneka Corporation filed a lawsuit against PI Advanced Materials Co., Ltd. in Korea based on a portion of final judgment on the U.S. jury's verdict. Accordingly, the subsidiary SKC Co., Ltd. paid PI Advanced Materials Co., Ltd. approximately USD 16 million which is 50% of approximately USD 8 million in damages. Based on the final results of litigation, SKC Co., Ltd., a subsidiary of the Group, may have to pay more according to the ratio as specified by the payment arrangement. As of March 31, 2025, the final result of trial 1 and the timing of payment of compensation for damage are not estimable.

In March and May 2021, former executives of SKC Co., Ltd., a subsidiary, were indicted on charges of violating the Act on the Aggravated Punishment of Specific Economic Crimes (embezzlement) and received the first-instance verdict on January 27, 2022. Regarding the scale and period of the fraudulent incident, as well as the related accounting treatment, SKC Co., Ltd. completed an investigation, including digital forensics by an external expert it commissioned, and submitted the results to the Financial Services Commission on February 3, 2022, which were then reflected in the financial statements. In connection with this matter, SKC Co., Ltd. has received a deposit for repayment from the former CEO's side, and the amount that may need to be further repaid could change depending on the ongoing appeals process.

37. Commitments and contingencies (cont'd)

(5) Commitments

< SK Inc.>

- 1) In accordance with the Commercial Code of the Republic of Korea, the Group, SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd, SK Enmove Co., Ltd, SK Incheon Petrochem Co., Ltd., SK ie technology Co., Ltd., SK On Co., Ltd, and SK Earthon Co., Ltd. are collectively responsible for any obligations of the Company arising before the spin-off. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations of the Company that occurred before the spin-off on April 1, 2011 and the Company and SK Specialty Co., Ltd. are collectively responsible for any obligations of SK Materials Co., Ltd. (formerly) that occurred before the spin-off on December 1, 2021.
- 2) The Group has signed a lease contract for the head office building from SK REITs Co., Ltd. The lease contract period under this lease contract is until July 5, 2026, and the Parent Company has the option of extending the lease contract by five years before the end of the contract. On the other hand, we have been granted preferential purchase rights for landlords to purchase the building at fair prices when it is sold.
- 3) The Group has signed IT outsourcing and IT System Maintenance contracts with SK Group affiliates to maintain, develop IT system and supply hardware.
- 4) The Group has total return swap contracts with investor of ordinary shares in regards to SK Shipping Co., Ltd.'s issuance of ordinary shares and sale of existing shares, and details are as follows:

Investor	Subscription of new shares	Sale of existing shares
	Special Situation 1 st Fund	Corporate Turnaround 1 st Fund
Number of shares	6,548,672	4,808,259
Contract date	March 30, 2022	March 30, 2022
Expiry date	April 13, 2027	May 11, 2027
Settlement	The Group and the investor make a cash settlement of the amount that calculated by deducting the issue price from the net selling price for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.	
Premium	The Group pays to the investor the amount equivalent to 3.899% of the remaining contract amount of the remaining target shares on the third month from the contract date (the "premium payment date"). On the other hand, if the investor receives dividends on the shares held, the amount is shall be paid to the Group.	
Call option	The Group may request the purchase of the common stock held by the investor at the contract amount plus a certain level of additional charges on the first day of each year between the date of the investment termination and the maturity date.	

37. Commitments and contingencies (cont'd)

- 5) The Group entered into total return swap contracts with ordinary shareholders of SK Siltron Co., Ltd., one of the subsidiaries. Details are as follows:

Total return swap	
Investor	Warmachine Sixth Co., Ltd. and others
Number of shares	13,140,440
Contract date	August 16, 2022
Expiry date	August 30, 2027
Settlement	The Group and the investors are to settle the amount calculated by deducting the issue price from the net selling price for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.
Premium	The Group shall pay an amount equivalent to 0.5% of the initial contract amount within five business days from the effective date and pay 4.948% to the remaining contract amount of the remaining target stock on the third month (the "premium payment date") from the effective date. On the other hand, if an investor receives dividends, etc. by holding the target stock, the amount shall be paid to the Group.
Call option	On a three-month basis from the closing date of sale ("the quarterly payment day"), the Group has the right to purchase the shares held by the investor at the initial contract price of the ordinary shares with a certain level of additional charges.

As of March 31, 2025, the value of the agreements amounting to ₩169,131 million is recognized in long-term borrowings.

- 6) The Group entered into total return swap contracts with ordinary shareholders of SK Innovation Co., Ltd., one of the subsidiaries. Details are as follows:

Total return swap	
Investor	MD Prime 1 st Co., Ltd.
Number of shares	5,529,918
Contract date	September 6, 2024
Expiry date	November 16, 2027
Settlement	The Group and the investors are to settle the amount calculated by deducting the issue price from the net selling price for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.
Premium	At the date when three months passed after the last premium payment date or the effective date ("premium payment date") during the period from the effective date to the expiration date of this Agreement, the Group shall pay the remaining contract amount of the remaining shares multiplied by the TRS Premium (rate of return on final asking price of 91-day Transferable Certificate of Deposit (CD) plus 1.80% of annual rate). On the other hand, if an investor receives dividends or other receivables from holding the target stock, the relevant amount must be paid to the Group.
Call option	On each premium payment date (every three months from the effective date of this contract), the Group may claim all remaining underlying assets (ordinary shares that SK Innovation Co., Ltd., issued and an investor purchased from the Group) to the remaining contract amount of the underlying assets plus the call option exercise fee, securities exchange tax, and special tax for rural development.

37. Commitments and contingencies (cont'd)

As of March 31, 2025, the value of the above total return swap amounting to ₩677,775 million is recognized in long-term borrowings.

- 7) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 236,000 thousand of Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc.
- 8) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 315,000 thousand of Abrasax Investment Inc., a subsidiary of SK Pharmteco Inc.
- 9) The Group has entered into an agreement between shareholders with Resonac Holdings Corporation in relation to the investment of SK Resonac Corporation, a subsidiary, and in accordance with this agreement, Resonac Holdings Corporation has the right to sell 630,000 shares (15%) of SK Resonac Corporation at ₩5,000 per share when a specific event occurs. The Group recognizes financial liabilities of ₩3,150 million in accordance with the above agreement related to SK Resonac Corporation.
- 10) The Group have signed a contract between shareholders that allows certain shareholders to sell their shares to the Company for ₩50,000 per share if certain conditions are met for shares held by certain shareholders of its subsidiary SK Signet Co., Ltd. The Group recognizes financial liabilities of ₩97,843 million in accordance with the above agreement related to SK Signet Co., Ltd.
- 11) LNG Americas, Inc, a subsidiary, is scheduled to be provided with liquefaction service for 20 years from FLNG Liquefaction 3, LLC, which plans to operate natural gas liquefaction plants in Texas starting from 2020. As of March 31, 2025, SK Innovation Co., Ltd., one of the subsidiaries, is responsible for performance guarantee in case of LNG Americas, Inc.'s inability to make payments for service or for claims against breach of obligation. In regard to this, the Group provides performance guarantee for SK Innovation Co., Ltd.'s guarantee.
- 12) The Group has pledged 2,936,225 shares of SOCAR Co., Ltd., which it holds as assets held for sale, to the buyer, Lotte Rental Co., Ltd.
- 13) As of March 31, 2025, SK Pharmteco Inc., a subsidiary, is obligated to repay the investment at a price that ensures the guaranteed return for investors in the event of a failed IPO within the specified period.
- 14) The Group has entered into a shareholder agreement regarding the convertible preferred shares issued by SK Ecoplant Co., Ltd., a subsidiary. Under this agreement, if SK Ecoplant Co., Ltd. fails to complete a qualified public offering by the IPO deadline, the Group has the right to request the investor to sell all of the preferred shares either directly or through a third party designated by the Group.
- 15) When issuing public corporate bonds, there are conditions for maintaining financial ratios, restrictions on the establishment of collateral rights, restrictions on disposal of assets, and restrictions on changes in the governance structure in accordance with the contract between the Company and the bond management company.

37. Commitments and contingencies (cont'd)

< SK Innovation Co., Ltd. and affiliates >

- 1) SK Energy Co., Ltd., SK Incheon Petrochem Co., Ltd., SK ON Co., Ltd., and SK Geo Centric Co., Ltd., subsidiaries, pay electricity and customs duties through B2B corporate contracts and national tax cards signed with some financial institutions and pay the payment to the credit card companies at the end of the credit offering period under the agreement. As of March 31, 2025, the related unpaid amount is ₩4,388,617 million, and it is classified as a full amount of current liabilities.
- 2) SK Innovation Co., Ltd., a subsidiary, sold its holdings (16,000,000 shares, 40%) of SK Enmove Co., Ltd., a subsidiary, for ₩1,091,948 million to Eco Solution Holdings Co., Ltd. (the "investor") on July 30, 2021. Subsequently, on October 15, 2024, the company acquired 25% of shares (4,000,000 shares) held by the investor. As of March 31, 2025, the investor holds 30% of the total issued shares. The shareholder agreement between the Investor and the company., the largest shareholder of SK Enmove Co., Ltd. in event of selling the stake, includes the following key terms:
 - Investor's Tag-along right and Co-Sale Process
 - Investor's right to make decisions on dividend policies, under certain conditions
 - The largest shareholder's right to request for sale of shares and Investor's right to demand the purchase of shares, under certain conditions
 - Restriction on disposal of shares of the largest shareholder and investor under certain conditions, etc.

Meanwhile, details of rights granted to investor are as follows:

Description	Conditions	Rights
Tag-along right	The largest shareholder sells shares when accomplishing certain conditions	The right to sell Investor's shares on the same conditions as the largest shareholder
Co-sale process	Failure of Initial Public Offering ("IPO") within the agreed period (8 years) and the total amounts of available for dividend are less than 2.5% of the annual interest rates based on IRR	The right to sell shares held by the largest shareholder along with shares held by investors
Dividend-policy decision-making right	Failure of IPO within the agreed period (5 years)	The right to make decisions on dividend policies within certain limits
Default put option	In the event of a serious violation of a specific obligation clause agreed with investor for a deliberate and malicious purpose	The right to sell shares held by the investors to the largest shareholder at an amount calculated by applying 10% annual compound interest rate based on IRR, taking into account any dividends or payments prior to the exercise of the right to purchase

37. Commitments and contingencies (cont'd)

3) SK Innovation Co., Ltd., a subsidiary, has signed a shareholders' agreement with investors related to shares newly issued through the paid-in capital increase of its subsidiary, SK ON Co., Ltd, amounting to ₩2,809,351 million in 2022 and 2023. The agreement between the largest shareholder, SK Innovation Co., Ltd., and investors includes the following key terms:

- Investor's tag-along right
- Investor's drag-along right and largest shareholder's call option responding to drag-along right exercised by investors
- Investor's put option
- Restriction on disposal of shares of the largest shareholder under certain conditions.

Meanwhile, details of rights granted to investor are as follows:

Description	Conditions	Rights
Tag-along right	In the case of transferring all or part of the shares held by the largest shareholder	Investors may sell their own shares on the same conditions as the largest shareholder
Drag-along right	<ul style="list-style-type: none"> - When a qualified listing requiring certain conditions, such as 7.5% or higher IRR, is not completed within 4 years of agreement period (which can be extended twice by one year, respectively). - If the representative investor reasonably believes that a specific event will delay the qualified listing for more than 12 months or cause a significant obstacle to the qualified listing. 	Investors may request the largest shareholder to sell its shares along with shares held by investors.
Put Option	<ul style="list-style-type: none"> - In the event of a serious violation of a specific obligation clause agreed with investor for a deliberate and malicious purpose - When some investors deliver written notice to the largest shareholder within 3 months from the date of occurrence of a specific event. 	Investors may sell their own shares to the largest shareholder at the exercise price of the put option
Other rights of the investors	<ul style="list-style-type: none"> - When the largest shareholder or some investors deliver written notice to each contractual counterparty within 3 months from the effective date of the exercise of specific rights reasonably judged necessary or desirable to maximize corporate value for qualified listing and maximize investment profits for investors - When the Blended IRR or ownership percentage is lower than a certain level due to the exercise of specific rights by some investors. 	The right to claim compensation from the largest shareholder for the investor's loss caused by the exercise of certain rights

SK Innovation Co., Ltd., a subsidiary company, recognized ₩552,212 million in derivative financial instrument liabilities for the rights included in the shareholder's contract, such as the investor's Drag-Along right and the largest shareholder's call option.

37. Commitments and contingencies (cont'd)

- 4) SK Innovation Co., Ltd., a subsidiary, has entered into a PRS (Price Return Swap) agreement to settle the difference under certain conditions between the buyer of shares of SK On Co., Ltd. as of September 30, 2024 and November 15, 2024, in connection with the capital increase due to allocation to a third party of its subsidiary SK On Co., Ltd. SK innovation Co., Ltd., a subsidiary, recognized derivative liabilities of ₩69,909 million under the above agreements.

Descriptions	PRS (Price Return Swap)	
	1st PRS	2nd PRS
Investor	S Project Inno Co., Ltd. etc.	1st MS Energy Co., Ltd.
Numbers of shares (in shares)	18,031,337	9,015,667
Effective date	October 15, 2024	November 25, 2024
Expiration date	October 15, 2027	November 25, 2027
Details of contract	When the buyer sells the underlying assets, the difference between the sale amount and the settlement amount is received	

- 5) SK Battery America Inc., a subsidiary, has signed a project agreement with Jackson County Industrial Development Authority and the Georgia Department of Economic Development (hereinafter referred to as "contract") to provide incentives such as property tax reduction. Under the contract, SK Battery America, Inc. transferred legal ownership of assets subject to property tax reduction to state agencies and received bonds issued by state agencies. The Group recognized the bonds and financial liabilities generated in the transaction as net amounts as they meet the offsetting criteria of K-IFRS No. 1032, and the amount of bonds and financial liabilities set off as of March 31, 2025 is USD 2,540 million, and the book value after offset is ₩0.
- 6) SK Geo Centric Co., Ltd., a subsidiary, has been granted the right to claim the sale of shares of Samyang Ecotec Co., Ltd. (hereinafter referred to as "joint venture ") from Samyang Packaging (here in after referred to as "strategic partner "). SK Geo Centric Co., Ltd., has the right to claim the sale of 49% of the total number of issued shares of the joint venture held by the strategic partner to SK Geo Centric Co., Ltd. or its affiliates designated by SK Geo Centric Co., Ltd. if it is possible to transfer all or part of the shares of the joint venture without restriction, including any of the following reasons.

- Where the revision of the Fair Trade Act does not bear the obligation to own the total number of shares (100%) issued by strategic partner
- Where strategic partner are not subsidiaries of a holding company under the Fair Trade Act
- Where strategic partner or joint venture is excluded from a subsidiary of a Samyang business group under the Fair Trade Act (excluding cases where a subsidiary is incorporated into another subsidiary and is subject to restrictions on the actions of its subsidiary)

In addition, if SK Geo Centric Co., Ltd. does not exercise its right to claim shares within the period, the strategic partner has the right to claim 49% of the total number of shares issued by the joint venture to be purchased from SK Geo Centric Co., Ltd. or a third party designated by SK Geo Centric Co., Ltd.

SK Geo Centric Co., Ltd. must hold at least 50% of the shares of strategic partner acquired in the previous year before notification of the above right to claim for sale. If a part of the shares of strategic partner are to be disposed of to a third party, etc., the strategic partner must be notified in advance and the strategic partner can exercise their preferred purchase rights. In addition, if SK Geo Centric Co., Ltd. wishes to directly dispose of more than 30% of your shares in strategic partner, SK Geo Centric Co., Ltd. may dispose of them with prior written consent from strategic partner.

37. Commitments and contingencies (cont'd)

SK Geo Centric Co., Ltd. has agreed to obtain prior written consent from strategic partner if it intends to dispose of part or all of its shares to a third party after acquiring shares in the joint venture through the above right to claim for sale. However, if it intends to dispose of all of its shares to an affiliate of the Group, it may dispose of its main shares by prior written notice, with a prior condition that a commitment stating is submitted to strategic partner that they agree to succeed to its contractual obligations.

- 7) BlueOval SK, LLC, a subsidiary, entered into a Project Agreement (hereinafter referred to as the "Contract") with Hardin County and Kentucky (hereinafter referred to as the "State Authority") for the purpose of receiving incentives such as property tax reduction. Under the agreement, BlueOval SK, LLC transferred legal ownership of assets subject to property tax reduction to state agencies and received bonds issued by state agencies. The Group indicated that the bonds and financial liabilities arising from the transaction were offset because they met the offsetting criteria of K-IFRS No. 1032. As of March 31, 2025, the amount of bonds and financial liabilities offset is USD 5,800 million, and the book value of bonds and financial liabilities after offset is ₩0.
- 8) SK On Co., Ltd., a subsidiary, has entered into the following agreement with Kia Corporation and Hyundai Motor Company (Korean won in millions):

	Type of debt	Currency	Committed limit	Debt execution amount
Loan agreement	Long-term borrowings (*1)	KRW	2,000,000	1,656,617
Loan agreement	Long-term borrowings (*1,2)	KRW	977,500	720,198
Facility investment	Contract liabilities (*2,3,4)	KRW	692,900	227,450

(*1) An obligation to redeem arises in the event of a change in control or similar circumstances at SK Innovation Co., Ltd.

(*2) In relation to the debt, SK On Co., Ltd., a subsidiary, has provided collateral to Kia Corporation and Hyundai Motor Company.

(*3) An obligation to redeem arises in the event of a breach of the agreed terms for facility investment.

(*4) The obligation to transfer goods to the customer exists, so it has been recognized as a contract liability. As of the end of the reporting period, the contract liability is included in long-term advance payments.

- 9) In addition, the investment agreement details of SK On Co., Ltd., a subsidiary, are as follows (U.S. dollars in thousands):

	Currency	Amount of Investment Agreement	Cumulative Investments Amount	Remaining Investment Amount
MILLENNIUM NEW HORIZONS II, L.P.	USD	5,000	2,112	2,888

- 10) As of the March 31, 2025, SK On Co., Ltd., a subsidiary, has the right to request the sale of all shares of Green Olios directly or indirectly owned by the other shareholder to SK On Co., Ltd. or a third party designated by SK On Co., Ltd. for six months from the fourth year from the date of conclusion of the stock trading contract. The other shareholder may notify the SK On Co., Ltd. at any time from four years and six months after the date of conclusion of the stock trading contract, and SK On Co., Ltd. has the right to decide and notify whether to jointly sell all of the shares of the target company within three months thereafter. If SK On Co., Ltd. refuses to sell the shares of the merged entity and continues to hold the shares of the merged entity, the other shareholder may sell the shares at its discretion.

37. Commitments and contingencies (cont'd)

11) The commitment amount for the acquisition of property, plant, and equipment and intangible assets not yet incurred at the end of this period in the SK Innovation Group is ₩777,625 million.

12) In addition, as of March 31, 2025, Prism Energy International Pte., Ltd., a subsidiary, provides LOU (Letter of Undertaking), in connection with LNG carriers, to ship owners(HIENS1 Shipping S.A., HIENS2 Shipping S.A., HIENS3 Shipping S.A., and HIENS4 Shipping S.A.), and in case SK SHIPPING CO., LTD, a shipping company, fails to fulfill the contract (BBCHP) signed with the ship owner, SK Innovation Co., Ltd. will bear all obligations related to the performance of the contract.

13) As of March 31, subsidiaries of the SK Innovation Group are obligated to pay development costs equivalent to the equity ratio in relation to the asset acquisition contract below.

Contracting party	Detail of contract	Counterparty	Share ratio
SK E&S Australia Pty Ltd.	Australia's Barossa-Kaldita Gas Field Acquired	Santos NA Barossa Pty. Ltd.	37.50%
DewBlaine Energy, LLC	Acquisition of Woodford Gas Field, U.S.A	Continental Resources, Inc	49.90%

14) In addition, commitments in relation to the convertible redeemable preferred shares issued by E&S CITYGAS BUSAN CO., LTD. are as follows:

	Details
Name of securities	Non-voting convertible redeemable preferred shares of E&S CITYGAS BUSAN CO., LTD.
Issued amount of securities	₩735,000,000,000
Issued number of shares (in shares)	306,250
Details related to repayment	- Repayment in cash or other assets at the Group's discretion by resolution of the Board of Directors - Repayment period in the case of cash repayment: January 1, 2028 ~ April 1, 2028 Repayment period in the case of repayment in kind: November 1, 2026 ~ April 1, 2028
Dividend payment	Non-participating, cumulative preferred shares, and an annual cash dividend of [3.99]% of the issuance price per preferred share is paid out in preference to the dividends of all ordinary shares and other types of share issued by the issuance company
Details related to conversion	- Convertible holder: shareholders of the preferred shares - Type of shares to be issued by conversion: ordinary shares of E&S CITYGAS BUSAN CO., LTD. - Conversion claim period: from April 2, 2028 to the date of 30 years from the issuance date - Conversion price: The initial conversion price per share shall be ₩6,000
Loss of benefit of time	Not applicable
Other commitments (agreement between shareholder, financial commitments, etc.)	[Establishment of a pledge on the shares held by the Company] To secure the exercise of the acquirer's conversion rights, the Company established a first-priority share pledge on all shares of the issuing company held by SK Innovation Co., Ltd. [Grant of Call Option] In the case that the new share acquirer exercises conversion rights regarding the redeemable convertible preferred shares, a call option is granted to the acquirer to simultaneously purchase all shares of the issuing company held by the Group.

37. Commitments and contingencies (cont'd)

15) In addition, commitments in relation to the convertible redeemable preferred shares issued by E&S CITYGAS BUSAN CO., LTD. are as follows:

	Details
Name of securities	Non-voting convertible redeemable preferred shares of E&S CITYGAS BUSAN CO., LTD.
Issued amount of securities	₩2,400,000,000,000
Issued number of shares (in shares)	1,000,000
Details related to repayment	- Repayment in cash or other assets at the Group's discretion by resolution of the Board of Directors - Repayment period: November 11, 2026 ~ February 1, 2027
Dividend payment	Non-participating, cumulative preferred shares, and an annual cash dividend of [3.99]% of the issuance price per preferred share is paid out in preference to the dividends of all ordinary shares and other types of share issued by the Group
Details related to conversion	- Convertible holder: shareholders of the preferred shares - Type of shares to be issued by conversion: ordinary shares of E&S CITYGAS BUSAN CO., LTD. - Conversion claim period: from February 2, 2027 to the date of 30 years from the issuance date - Conversion price: The initial conversion price per share shall be ₩6,000
Loss of benefit of time	Not applicable
Other commitments (agreement between shareholder, financial commitments, etc.)	[Establishment of a pledge on the shares held by the Group] To secure the exercise of the acquirer's conversion rights, the Group established a first-priority share pledge on all shares of the issuing company held by SK Innovation Co., Ltd. [Grant of Call Option] In the case that the new share acquirer exercises conversion rights regarding the redeemable convertible preferred shares, a call option is granted to the acquirer to simultaneously purchase all shares of the issuing company held by the Group.

< SK Telecom Co., Ltd. and affiliates >

1) Agents of SK Telecom Co., Ltd., a subsidiary, are selling mobile communication terminals that customers for use with SK Telecom's communication services. SK Telecom Co., Ltd. has signed a contract with the agency to comprehensively acquire installment receivables. Meanwhile, SK Telecom Co., Ltd. has signed a securitization asset transfer agreement with a company specializing in liquidity for the transferred installment receivables. The balance of the installment receivables purchased by SK Telecom Co., Ltd. according to the above comprehensive transfer agreement as of March 31, 2025 and December 31, 2024 is ₩266,572 million and ₩ 241,962 million, respectively, which are recorded in receivables and long-term receivables.

37. Commitments and contingencies (cont'd)

- 2) SK Broadband Co., Ltd., a subsidiary, is entering into a Total Return Swap (TRS) with the beneficiaries of Aegis Specialized Investment Private Equity Real Estate Investment Trust No. 156 and Hana Alternative Investment Land Chip Private Equity Real Estate Investment Trust No. 62, respectively, and the beneficiary certificates of ₩270,000 million and ₩80,000 million issued by the Real Estate Fund as underlying assets. The settlement contract consists of the settlement of the difference according to the change in the value of the real estate at the expiration date of the contract and the settlement of the difference between the dividend and the standard dividend during the contract period. SK Broadband Co., Ltd. is obligated to guarantee the fixed rate of return to the counterparties of each settlement contract until the expiration of the contract. SK Broadband Co., Ltd. recognized the derivative financial assets of ₩64,480 million (₩64,926 million as of December 31, 2024) by discounting the cash flows expected to occur in the settlement contract using the present value method.
- 3) Regarding the merger and acquisition transaction of SK Broadband Co., Ltd. that occurred before the previous period, SK Telecom Co., Ltd. entered into an shareholders' agreement with the existing shareholders of the merged company. Based on this agreement, a share purchase agreement was signed on November 14, 2024, to acquire a 24.76% stake in SK Broadband Co., Ltd. for ₩1,145,870 million. SK Telecom Co., Ltd., as a subsidiary, determined that it currently holds ownership of the acquired stake in SK Broadband Co., Ltd. under the signed agreement and has accounted for it as an owned subsidiary interest.
- 4) During the prior period, SAPEON Inc., a subsidiary, partially sold its shares in Rebellions Inc.. At the same time, SK Telecom Co., Ltd., a subsidiary, entered into an equity total return swap agreement under which the buyer receives the difference between the sale price and the settlement amount upon the sale of the shares. As of March 31, 2025, SK Telecom Co., Ltd. has recognized ₩2,689 million (₩2,689 million as of December 31, 2024) in derivative financial liabilities related to the equity swap agreement.

< SK Square Co., Ltd. and affiliates >

- 1) SK Square Co., Ltd., a subsidiary, was newly established for the purpose of managing and investing in investee companies related to semiconductors and new ICT among the businesses of SK Telecom Co., Ltd. prior to the spin-off, and pursuant to Article 530 9.1 of the Commercial Code, the parent company and SK Telecom Co., Ltd. are jointly and severally liable for the debts of SK Telecom Co., Ltd. prior to the spin-off.
- 2) In September 2018, SK Square Co., Ltd., a subsidiary, entered into a shareholders' agreement with an investor of ₩500,000 million of convertible redeemable preferred shares issued by 11street Co., Ltd. (the "Target Company"). Pursuant to the agreement, the investor has the right to request that SK Square Co., Ltd. sell all of the shares of the Target Company owned by the investor together with the shares of the Target Company held by the investor if the listing process of the Target Company is not completed within the listing deadline (the "Tag-Along Right"), and SK Square Co., Ltd. has the right to request that the investor sell all of the shares of the Target Company owned by the investor to SK Square Co., Ltd. (the "Call Option") if the investor gives notice of the exercise of the Tag-Along Right. As the listing deadline expired prior to the year ended December 31, 2024, but the listing process of the target company was not completed and SK Square Co., Ltd.'s right to sell the shares was not exercised, the process of exercising the investors' Tag-Along Right is in progress. The proceeds from the sale of the target company's shares pursuant to the exercise of the investors' Tag-Along Right will be distributed in a waterfall manner in accordance with the shareholders' agreement, and the distribution to SK Square Co., Ltd. will be made after the investors' investment. As of March 31, 2025, the sale of the target company's shares and the timing of the completion of the sale cannot be reasonably estimated, and as of March 31, 2025 and December 31, 2024, SK Square Co., Ltd. recognized a derivative financial liability totaling ₩321,374 million for the rights included in the shareholders' agreement.

37. Commitments and contingencies (cont'd)

- 3) In connection with the capital increase Tmap Mobility Co., Ltd., a subsidiary, SK Square Co., Ltd. entered into a shareholders' agreement with the investors of the newly issued shares. Under the agreement, if certain conditions are not met after the capital increase, the investors in the newly issued shares may exercise a tag-along right or other related rights to tender their shares of Tmap Mobility Co., Ltd.'s common stock held by SK Square Co., Ltd. If the investor exercises such right, SK Square Co., Ltd. may exercise a call option to purchase the shares. As of March 31, 2025, SK Square Co., Ltd. recognized derivative financial liabilities totaling ₩128,467 million (December 31, 2024: ₩128,467 million) for these rights included in the shareholders' agreement.
- 4) Tmap Mobility Co., Ltd., a subsidiary, entered into a share pledge agreement with the seller in connection with the acquisition of common shares of Airport Limousine Co., Ltd.. In order to secure any future obligations under the Share Purchase Agreement and the Shareholders' Agreement with Tmap Mobility Co., Ltd., the seller has set up a first priority security interest in shares equal to 20% of the total issued shares of Airport Limousine Co., Ltd..
- 5) SK Square Co., Ltd., a subsidiary, is provided as collateral for 55,320,816 common shares of Korea Security Holdings Co., Ltd., owned by Soteria Bidco SCSp, for other receivables of ₩450,000 million.
- 6) Under the shareholders' agreement entered into by SK Square Co., Ltd. with CJ ENM Co., Ltd. in November 2024, SK Square Co., Ltd. is required to sell bonds with a face value of ₩50,000 million to CJ ENM Co., Ltd. if certain conditions are met, out of the convertible bonds with a face value of ₩150,000 million issued by Content Wave Co., Ltd., an associate of SK Square Co., Ltd., and acquired by SK Square Co., Ltd., as per the agreement. Additionally, CJ ENM Co., Ltd. has the right to request SK Square Co., Ltd. to purchase convertible bonds up to ₩100,000 million if certain conditions are met. As of the end of the current period, SK Square Co., Ltd. has recognized a derivative financial liability of ₩29,063 (December 31, 2024: ₩29,063 million) million based on the best available information in the shareholders' agreement.
- 7) SK Square Co., Ltd., a subsidiary, entered into an agreement between the financial investor of One store Co., Ltd. and the new shareholder, according to which the Group could not avoid its obligation to purchase the equity instruments and recognized ₩150,808 million as long-term payables corresponding to the present value of the redemption amount.

< SK Networks Co., Ltd. and affiliates >

- 1) SK Networks Co., Ltd., a subsidiary, is obligated to make additional contributions to the Alpha Intelligence Fund. As of end of the current period, the Group plans to make additional capital contributions in the amount of USD 47,568 thousand through a capital call.
- 2) SK Networks Co., Ltd., a subsidiary, is subject to disposal restrictions under certain conditions for its subsidiaries, POSK (Pinghu) Steel Processing Center Co., Ltd.; its associates, SVA Venture Fund II, SK Electlink Co., Ltd., Alpha Intelligence Private Equity Investment Limited Partnership, and Kindred HM1; as well as long-term investment securities, including Kurly Inc., Port One Holdings, Prostar Asia-Pacific Energy Infrastructure SK Fund L.P., and Hashed Venture Investment Association No. 2, among other fund products.
- 3) SK Networks Co., Ltd., a subsidiary, has entered into agreements with its affiliates EVERON CO.,LTD., BLOCKODYSEY CO.,LTD., SVE Venture Fund II, SK Electlink Co., Ltd., Upstage Co., Ltd., BMSMILE CO., LTD., and Kindred HM1 for preferential purchase rights and participation rights in equity investments. Meanwhile, SK networks, a subsidiary, is obligated to respond to other shareholders' exercise of co-sale rights in accordance with the shareholders' agreement for its affiliate, SK Electlink Co., Ltd., and its equity investments in MycoWorks, Standard AI (formerly Standard Cognition), Humane, Source.ag, and Sabanto.

37. Commitments and contingencies (cont'd)

- 4) SK Networks Co., Ltd., a subsidiary, holds a call option to purchase a portion of the equity in its affiliate Upstage Co., Ltd., BMSMILE CO., LTD. under certain conditions.

< SKC Co., Ltd. and affiliates >

- 1) SK Nexilis Co., Ltd., a subsidiary, has entered into an inter-shareholder agreement with noncontrolling shareholders, a financial investor holding convertible preferred shares, in connection with convertible preferred shares issued by Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V.. Financial investors may sell common shares of Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V. at any time, but if sold during a specified contractual period, they must settle the difference between the sale price and the initial investment price of the financial investor. A financial investor may claim settlement from SK Nexilis Co., Ltd., for convertible preferred or common shares issued by Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V. in the event of a specific reason, even during the specified period in the contract. Financial investors may not transfer or dispose of convertible redeemable preferred shares to a third party without the prior consent of SK Nexilis Co., Ltd. except in the event of a specific reason.

In addition, SK Nexilis Co., Ltd. pays a certain percentage of the issuance of convertible preferred shares of Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V. to financial investors every three months from the date of initial payment. If the convertible preferred stock is not repaid or 'Settled', the financial investor shall return the amount received by that time to SK Nexilis Co., Ltd..

Meanwhile, in connection with the above transactions, SK Nexilis Co., Ltd. has signed a fund supplement agreement to cover the shortfall in the event of a lack of funds for repayment or early repayment of convertible preferred stocks of Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V..

- 2) When SKC Co., Ltd., a subsidiary, transferred its SiC wafer business to Paratus Investment Inc. (the "Buyer") in 2021, the Buyer granted SKC Co., Ltd. the right to require SKC Co., Ltd. to sell all of the outstanding shares of SPC (the company that operates the SiC wafer business) owned by the Buyer (a right that can be exercised if EBITDA does not meet certain conditions by 2026). In addition, SKC Co., Ltd. has the right to receive 40% of the excess sale proceeds from the buyer in the event of the buyer's sale of SPC shares to a third party, provided that the actual consideration received exceeds ₩75,000 million. As of March 31, 2025, SKC Co., Ltd. recognized derivative financial instrument assets of ₩1 million and derivative financial instrument liabilities of ₩36,643 million for these rights and obligations.
- 3) SKC Co., Ltd., a subsidiary, entered into an agreement with the transferor of the ATK business regarding the acquisition of the ATK business in 2020. According to the agreement, SKC Co., Ltd. is obligated to pay the transferor an amount equivalent to 30% of the operating profit generated from the ATK business twice a year, in the first and second halves of each year. As of the end of the current period, the outstanding amount under this agreement is ₩2,001 million.
- 4) SKC Co., Ltd., a subsidiary, decided as per the resolution of its board of directors on November 13, 2024, to sell the thin-film business of SK Nexilis Co., Ltd.. Accordingly, the related profits and losses were classified as profit or loss of discontinued operations. Meanwhile, SKC Co., Ltd. has granted a call option to acquire a portion of the land of SK Nexilis to Ascenta Sixth Floor Private Equity Limited Partnership, the transferee of the Thin Film Division, which is scheduled to be transferred.

37. Commitments and contingencies (cont'd)

< SK Ecoplant Co., Ltd. and affiliates >

- 1) SK Ecoplant Co., Ltd., a subsidiary, holds call options for non-controlling shareholders of ECO FRONTIER (SINGAPORE) PTE. LTD. If SK Ecoplant Co., Ltd. does not exercise the call option and non-controlling shareholders sell their stake to the outside, it has entered into a shareholder agreement to compensate for the difference between the call option exercise price and the actual external sale price.
- 2) SK Ecoplant Co., Ltd., a subsidiary, entered into an agreement with Eco Energy Holdings Co., Ltd., the buyer of SK ecoengineering Co., Ltd. redeemable convertible preferred shares, which was sold for the year ended December 31, 2022. If certain conditions are met in the future according to the agreement, Eco Energy Holdings Co., Ltd. may exercise the drag-along right for its redeemable convertible preferred stock.
- 3) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement between shareholders to compensate for the difference if certain conditions are not met for non-controlling shareholders of Econovation, LLC.
- 4) SK Ecoplant Co., Ltd., a subsidiary, issued exchangeable bonds based on shares of Renewon Co., Ltd. during 2023. According to the agreement between investors, SK Ecoplant Co., Ltd. has a call option and a preferential purchase right for the bonds, and the bond acquirer has a put option and a right to claim compensation for the difference if certain conditions are not met.
- 5) In connection with the sale of preferred stocks of RenewUs Co., Ltd., SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement between shareholders to grant put options to investors if certain conditions are not met and to compensate for the difference when holding them until maturity.
- 6) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the financial shareholders of Renewenergy Chungbuk Co., Ltd. Under the agreement, financial shareholders may exercise their right to claim joint sale (Drag-along) on their shares.
- 7) SK Ecoplant Co., Ltd., a subsidiary, entered into agreements with financial investors of the I&K Youth Housing Private Real Estate Development Investment Company No. 1 and No. 2, Signature Youth Housing Private Real Estate Development Investment Company No. 1, K-Square Eco Songpa PFV, Yongin General Industrial Complex Co., Ltd., Smart Rail Co., Ltd., and Pohang Clear Water Road Co., Ltd. According to these agreements, the financial investors have the option to exercise a put option on their holdings with SK Ecoplant Co., Ltd.
- 8) SK Ecoplant Co., Ltd., a subsidiary, has entered into a PRS (share price return swap) agreement with Main Stream 19th Co., Ltd., the buyer of the Daehan 4 New Stay REIT Co., Ltd. stock sold for the year ended December 31, 2024, to settle the difference according to the terms and conditions.
- 9) SK Ecoplant Co., Ltd., a subsidiary, is obligated to fulfill the product purchase obligations under the fuel cell purchase agreement signed with Bloom Energy Corporation and is required to compensate for any loss of profits if it fails to meet the purchase obligations by 2027. However, the scope of the loss of profits is currently a matter of negotiation between the two companies, and the amount and timing of the outflow of resources cannot be reasonably estimated.

37. Commitments and contingencies (cont'd)

- 10) SK Ecoplant Co., Ltd., a subsidiary, has entered into an excess compensation payment contract regarding fuel cell performance guarantees with Korea East-West Power Co., Ltd. and 11 other companies (hereinafter referred to as "other companies"), and is obligated to pay within the limit of the payment cap for any compensation that exceeds the performance guarantee liability guaranteed by Bloom Energy Corporation to the other companies.
- 11) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the buyer to compensate for the difference if certain conditions are not met in relation to the sale of Ascend Elements, Inc.'s convertible preference shares.
- 12) SK Ecoplant Co., Ltd., a subsidiary, is obligated to compensate for any damages up to the construction amount if it violates the responsibility to complete the domestic fuel cell projects (total of 3 projects).
- 13) SK Ecoplant Co., Ltd., a subsidiary, has purchased income securities of the EIP PIS U.S. Solar Power Investment Trust No. 1 and No. 2, which are specialized investment vehicles for U.S. solar power investors. According to the investment contract, the total purchase amount of the income securities for the investment trust is USD 20 million, and the remaining contract amount will be paid based on the project stage.
- 14) SK Ecoplant Co., Ltd., a subsidiary, has entered into agreements with the financial investors of Gangneung Sacheon Fuel Cell Co., Ltd. and Chuncheon Green Energy Co., Ltd. According to the agreements, SK Ecoplant Co., Ltd. can exercise a put option on the shares it holds.

<Others>

- 1) The technology transfer contract status of SK Biopharmaceuticals Co., Ltd., a subsidiary, is as follows (Korean won in millions and foreign currencies in thousands):

Contractor	Contract Year/month	Transferred technology	Region	Amount(*1)
Angelini Pharma S.p.A (*2)	2019 / 02	Cenobamate	Europe	USD 539,000
Ono Pharmaceutical Co., Ltd.	2020 / 10	Cenobamate	Japan	JPY 53,100,000
Ignis Therapeutics.	2021 / 11	6 New Drugs, including Cenobamate and others	China, Hongkong, Macao	USD 186,000
	2024 / 04	7 New Drugs, including non-narcotic pain medication and others	Worldwide	USD 58,000
Endo Ventures Limited	2021 / 12	Cenobamate	Canada	USD 20,000
				CAD 21,000
DEXCEL LTD.	2022 / 05	Cenobamate	Israel, Palestine	USD 3,000
Eurofarma Laboratorios S.A	2022 / 07	Cenobamate	Latin America (*3)	USD 62,000
HIKMA MENA FZE	2023 / 08	Cenobamate	Middle East, North Africa (*4)	USD 3,000
Dong-A ST Co., Ltd	2024 / 01	Cenobamate	South Korea and others (*5)	KRW 19,000

37. Commitments and contingencies (cont'd)

(*1) The amount is upfront and milestone.

(*2) It is the contract amount that includes an upfront payment and milestone payments for the transfer of Bulk Tablet production rights.

(*3) They are 17 countries in Latin America, including Brazil and Mexico.

(*4) They are 16 countries in the Middle East and North Africa, including Jordan and Egypt.

(*5) They are 30 countries including South Korea, Australia, Russia, Southeast Asia, and others.

- 2) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a Limited Partner in the LifeSci Venture Partners II Fund in the United States. As of March 31, 2025, investments in the fund amount to USD 9,362,718.20 (investments in money: USD 8,217,818.20, revenue distributions reinvested: USD 1,144,900.00), and the investment period agreed between the parties has ended, but additional investments can be made up to USD 1,363,636.35 for subsequent investments in existing investments.
- 3) SK Biopharmaceuticals Co., Ltd., a subsidiary is participating as a limited partner in the LifeSci Venture Partners III fund in the U.S. The subsidiary has made a cash contribution of USD 1,932,383.26 up to March 31, 2025, and can make additional contributions of up to USD 6,067,616.74 for subsequent investments.
- 4) SK Biopharmaceuticals Co., Ltd., a subsidiary, entered into a Strategic Alliance Agreement with HIKMA MENA FZE in August 2023. As part of the agreement, SK Biopharm provided HIKMA MENA FZE with the right of first negotiation for technology transfer and product supply agreements (Product License Agreement) for its products approved for sale by the FDA or EMA in the Middle East and North Africa region. SK Biopharm received an upfront payment of USD 23 million. The upfront payment will be deducted from any costs HIKMA MENA FZE is obligated to pay to SK Biopharm under the technology transfer and product supply agreement. In the event of termination or suspension of the agreement, the remaining upfront payment will be refunded.
- 5) The agreement amount for the acquisition of intangible and tangible assets, which has not yet occurred as of March 31, 2025, for SK Siltron Co., Ltd., a subsidiary, is ₩474,256 million.
- 6) Areca, Inc., Chamaedorea, Inc., and Tillandsia, Inc., subsidiaries, acquired control over 8 Rivers Capital, LLC prior to the year ended December 31, 2024, and included its shares in the consolidation scope. The agreements signed during the share acquisition process include the following major agreements.

- Investor's claim for joint sale (Tag-along right)
- Investor's request for joint sale (Drag-along right)
- Restrictions on the disposal of shares by the largest shareholder and investors under certain conditions, etc.

Meanwhile, the main contents related to the rights granted to investors are as follows:

Description	Conditions	Rights
Tag-Along Right	In the event of the largest shareholder selling shares that meet certain conditions	The right to sell Investor's shares on the same conditions as the largest shareholder
Drag-Along Right	In the event of selling the company's shares to a non-affiliated company or most of the company's assets to a non-affiliated company	The right to sell shares held by the largest shareholder along with shares held by

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

37. Commitments and contingencies (cont'd)

(6) Hybrid bonds

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

Issue segment	Description	Issuance date	Maturity date (*1)	Interest rate (%) (*2)	March 31, 2025	December 31, 2024
Group of SK Innovation Co., Ltd. (*2)	2nd public equity bond type	2023.10.19	2053.10.19	7.30	₩ 140,000	₩ 140,000
Group of SK Innovation Co., Ltd. (*2)	3rd private equity bond type	2024.03.07	2054.03.07	6.50	460,000	460,000
Group of SK Innovation Co., Ltd. (*2)	1st unsecured bonds with unsecured interest rights (private equity bond type)	2024.06.27	2054.06.27	6.42	500,000	500,000
Group of SK Innovation Co., Ltd. (*2)	1st Korean currency type	2020.07.14	2050.07.14	3.60	145,000	145,000
Group of SK Telecom Co., Ltd. (*2)	3rd public equity bond-type	2023.06.05	2083.06.05	4.95	400,000	400,000
Group of SK Ecoplant Co., Ltd.	1st bearer unguaranteed exchange bonds	2023.09.22	2053.09.22	-	323,650	323,650

(*1) The issuing company may decide on early repayment or an extension of maturity date after a certain period has elapsed.

(*2) After a certain period from the issuance date, the interest rate will fluctuate in accordance with the contract.

(7) Bills and checks provided to financial institutions as collateral for borrowings.

As of March 31, 2025, the bills and checks provided to financial institutions as collateral for borrowings as follows (Korean won in millions and except for number papers):

Type (bill/check)	Papers	Account
Blank check	80	₩ -
Blank notes	27	-
Check	2	21,729
Notes	2	792

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

38. Pledged Assets

The following assets were pledged as collateral for the Group's borrowings and others as of March 31, 2025 (Korean won in millions and foreign currencies in thousands):

Company	Asset	Currency	Collateralized amount(*1)	Provided to	Description
Netruck Co., Ltd.	Property, plant and equipment	KRW	630	Hyundai Engineering and others	Collateral for pledging
ONEPOL Co., Ltd.	Property, plant and equipment	KRW	3,360	Shinhan Bank	Collateral for borrowing
Sino-Korea Green New Material (JiangSu) Ltd.	Right of use assets	KRW	3,283	Bank of China	Collateral for borrowing
SK GC Americas, Inc.	Bonds	USD	5,000	Industrial Bank of Korea	Collateral for borrowing
SK On Co., Ltd	Property, plant and equipment	KRW	397,900	Kia corporation and Hyundai Motor company	Loan agreement and others
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	1,048	Industrial Bank of Korea	Restricted real rights for office lease
Eleven Street Co., Ltd.	Short-term financial instruments	KRW	4,520	Galaxia Moneytree and others	Pledge establishment
	Debt instruments	KRW	1,500	Seoul Guarantee Insurance Company	Collateral for guarantee
Incross Co., Ltd	Financial instrument	KRW	27,317	Naver Co., Ltd. and others	Performance guarantees for contract
One store Co., Ltd.	Investment property	KRW	1,650	Suhyup Bank	Guarantee of foreign currencies
SK Networks Co., Ltd.	Property, plant and equipment	KRW	392,259	Korea Development Bank	Collateral for sales
SK Magic Co., Ltd.	Property, plant and equipment	KRW	96,000	Korea Development Bank and others	Collateral for borrowing
EN-CORE CO., LTD.	Debt instrument	KRW	226	Korea Software Financial Cooperative	Collateral for guarantee
SK ENPULSE Co., Ltd.	Short-term financial instruments	KRW	20,000	Shinhan Bank	Collateral for borrowing
SK Nexilis Co., Ltd.	Property, plant and equipment	KRW	222,000	Korea Development Bank and others	Collateral for borrowing
Nexilis Management EUROPE B.V.	Investments in subsidiaries	KRW	522,940	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	33,600	Korea Development Bank	Collateral for borrowing
SK Innovation Co., Ltd.	Investments in associates	KRW	3,194,645	PF lenders	Collateral for PF
	Investments in associates	USD	14,000	Bangkok Bank Public Company Limited	Collateral for PF
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	360,000	Kookmin Bank and others	Facility loan collateral
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	81	LG Hello Vision Co., Ltd.	Collateral for deposits received
NEW RENEWABLE ENERGY NO.1 JSC	Investments in associates	VND	1,102,500,000	JOINT STOCK COMMERCIALBANK FOR FOREIGN TRADE OF VIETNAM	Collateral for PF
Narae Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	505,000	Korea Development Bank and others	Collateral for borrowing
Yeoju Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	601,200	Korea Development Bank and others	Collateral for PF
Busan Jungkwan Energy Co., Ltd.	Property, plant and equipment and others	KRW	100,800	NH Bank and others	Collateral for borrowing
IGE Co., Ltd.	Property, plant and equipment and others	KRW	493,800	Korea Development Bank	Collateral for PF
Yeongnam Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	4,332	Industrial Bank of Korea	Collateral for borrowing
SK Ecoplant Co., Ltd.	Debt instruments	KRW	28,714	Kookmin Bank and others	Collateral for borrowing and others
	Investments in associates and others	KRW	1,841,986	Korea Development Bank and others	Collateral for borrowing
SKEC Nanjing Co., Ltd.	Short-term financial instruments	KRW	167	Bank of China	Collateral for borrowing
Renewenergy Chungnam Co., Ltd.	Property, plant and equipment	KRW	3,000	Korea Development Bank	Collateral for borrowing
RenewOne Co., Ltd.	Investments in associates and others	KRW	150,000	KEB Hana Bank and others	Collateral for borrowing

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

38. Pledged Assets (cont'd)

Company	Asset	Currency	Collateralized amount(*1)	Provided to	Description
Renewenergy Green Co., Ltd.	Property, plant and equipment	KRW	9,600	Korea Development Bank	Collateral for borrowing
Renewland Cheongju Co., Ltd.	Property, plant and equipment	KRW	7,200	Kyungnam Bank	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	300,980	KEB Hana Bank and others	Collateral for borrowing and others
	Debt instrument	KRW	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	89,192	KEB Hana Bank and others	Insurance pledge and others
RenewUs Co., Ltd.	Property, plant and equipment	KRW	149,114	KEB Hana Bank and others	Collateral for borrowing and others
	Investments in subsidiaries	KRW	401,458	KEB Hana Bank and others	Collateral for borrowing and others
	Investment securities	KRW	110,308	Woori Bank and others	Collateral for borrowing and others
	Others	KRW	1,772,051	KEB Hana Bank and others	Collateral for pledging and others
Renewenergy Chungbuk Co., Ltd.	Property, plant and equipment	KRW	60,000	IBK CAPITAL CORPORATION and others	Comprehensive property insurance right
Renewenergy Chungbuk Co., Ltd.	Others	KRW	96,000	IBK CAPITAL CORPORATION and others	Collateral for borrowing
Renewenergy Metro Co., Ltd.	Property, plant and equipment	KRW	40,537	Woori Bank	Collateral for borrowing
Eco Frontier (Singapore) Pte. Ltd.	Investments in subsidiaries	KRW	1,509,055	Korea Development Bank and others	Collateral for borrowing and others
SK Industrial Development China Co., Ltd.	Investment property	CNY	1,600,000	Bank of China communications	Collateral for borrowing
SK Materials Airplus Co., Ltd.	Property, plant and equipment	KRW	195,000	Shinhan Bank and others	Collateral for borrowing
Topsun Co.,Ltd.	Property, plant and equipment	KRW	12,600	KEB Hana Bank	Collateral for borrowing
	Short-term financial instruments	KRW	264	Industrial Bank of Korea	Collateral for borrowing
	Others	KRW	7,800	Korea Development Bank and others	Collateral for borrowing
	Debt instruments	KRW	850	Electric Contractors' Financial Cooperative	Collateral for borrowing
SK Resonac Corporation.	Property, plant and equipment	KRW	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	18,200	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment	KRW	408,700	Korea Development Bank and others	Collateral for borrowing
	Property, plant and equipment and others	USD	1,005,894	Korea Development Bank and others	Collateral for borrowing
SK materials Group14 Co.,Ltd.	Others	KRW	8,032	KEB Hana Bank and five other banks	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	120,000	Korea Development Bank	Collateral for facility loan and overseas guarantee
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	3,840	Suwon-Hwaseong-Osan Livestock Cooperative	Collateral for borrowing
SK Signet Inc.	Property, plant and equipment and others	KRW	61,116	Korea Development Bank and others	Collateral for borrowing
SK Powertech Co., Ltd.	Property, plant and equipment	KRW	40,800	Korea Development Bank and others	Collateral for borrowing
SK Tri Chem Co., Ltd.	Property, plant and equipment and others	KRW	3,997	Sejong City Government	Collateral for Local Investment Promotion Subsidy Support

38. Pledged Assets (cont'd)

(*1) The carrying amount of securities provided as collaterals for PF loans and facility borrowings are included.

39. Financial Risk Management

Regarding financial instruments, the Group is exposed to a variety of financial risks: credit, liquidity and market. This note presents information related to risk exposures of the Group and the main objective, strategy, evaluation of risk, management process and capital management. Additional quantitative information is stated throughout the condensed consolidated financial statements.

(1) Financial risk management

Risk management policy

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group audit committee monitors how management ensures compliance with the Group's risk management policies and procedures, and reviews whether the risk management framework is appropriate. The Group audit committee is assisted in its oversight role by internal audit.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(2) Credit risk

Credit risk refers to the risk that the Group will suffer financial losses due to the failure of the customer or counterparty to fulfill their contractual obligations on the financial instrument. Credit risk mainly comes from accounts receivable and investment assets to the customer.

1) The carrying amount of a financial asset, measured at amortized cost, represents the maximum exposure to credit risk. The maximum exposure to credit risk as of March 31, 2025 and December 31, 2024 is as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Financial assets measured at FVTPL(*1)	₩ 3,304,075	₩ 3,839,784
Financial assets measured at FVOCI	198,247	252,832
Financial assets measured at amortized cost(*1)	21,370,321	19,623,429
Financial assets designated as hedging instruments	687,543	741,600
	<u>₩ 25,560,186</u>	<u>₩ 24,457,645</u>

(*1) Cash and cash equivalents and equity instruments are excluded from the table above because they are not related to credit risk.

On the other hand, the Group has provided payment guarantees for others including related parties, associates and others. The Group, due to its payment guarantees, is exposed to credit risk (See Note 37).

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

39. Financial Risk Management (cont'd)

2) Guarantees

SK Ecoplant Co., Ltd., one of the subsidiaries, offers payment guarantees for loans of project financing. The financing liabilities related to the payment guarantees recognized are ₩23,600 million as of March 31, 2025. The Group recognizes the financial guarantee liabilities related to the payment guarantees contracted with the Group, such as SK Ecoplant Co., Ltd., as of March 31, 2025 and December 31, 2024 (Korean won in millions).

	March 31, 2025	December 31, 2024
SK Innovation Co., Ltd.	₩ 787	₩ 943
SK Ecoplant Co., Ltd.	23,600	30,287
SK Biotek Co., Ltd.	194	194
	<u>₩ 24,581</u>	<u>₩ 31,424</u>

In addition, the Group has provided payment guarantees for others, including subsidiaries and others. (See Notes 33 and 37).

3) Other financial assets

Credit risk arising from other financial assets consists of long-term and short-term financial instruments, occurrence of trade opponent arising from the bankruptcy, etc. In this case, the credit risk exposure of the Group will be the same as the book value of the maximum applicable financial instruments. On the other hand, the Group's management determines that the impact of credit risk from financial institutions on the Group is limited as the Group transacts with highly rated financial institutions.

(3) Liquidity risk

Liquidity risk is the risk that the Group encounters difficulty in meeting the obligations of the financial liabilities. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The contractual maturity of financial liabilities as of March, 2025 and December 31, 2024 are as follows. The amount includes interest payments and does not include the effect of the offsetting agreement. (Korean won in millions):

	March 31, 2025				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Bonds and borrowings	₩ 12,059,908	₩ 24,663,483	₩ 43,323,898	₩ 20,070,748	₩ 100,118,037
Derivative financial liabilities	89,189	275,190	825,500	-	1,189,879
Trade payables	11,183,956	1,300,604	-	-	12,484,560
Lease liabilities	187,043	968,532	3,154,053	2,353,608	6,663,236
Other liabilities	11,267,500	3,641,611	1,483,025	85,477	16,477,613
Guarantee contracts	3,376,286	-	-	-	3,376,286
	<u>₩ 38,163,882</u>	<u>₩ 30,849,420</u>	<u>₩ 48,786,476</u>	<u>₩ 22,509,833</u>	<u>₩ 140,309,611</u>

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
March 31, 2025 and 2024

39. Financial risk management (cont'd)

	December 31, 2024				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Bonds and borrowings	₩ 10,594,088	₩ 27,315,466	₩ 42,400,108	₩ 12,561,446	₩ 92,871,108
Derivative financial liabilities	175,783	226,493	920,506	-	1,322,782
Trade payables	11,458,460	1,294,469	-	-	12,752,929
Lease liabilities	276,088	875,782	2,893,773	2,416,472	6,462,115
Other liabilities	11,301,710	3,736,419	912,314	260,366	16,210,809
Guarantee contracts	4,181,905	-	-	-	4,181,905
	₩ 37,988,034	₩ 33,448,629	₩ 47,126,701	₩ 15,238,284	₩ 133,801,648

This information has been rewritten to improve the accuracy of financial information.

(4) Market risk

Market risk is the risk that the fair value of financial instruments or future cash flows may fluctuate due to changes in market prices. Market risk consists of foreign currency risk, interest rate risk, crude oil and petroleum product price risk, and others. The fundamental goal of market risk management is the maximization of the profit and the limitation of the exposure to market risk within an acceptable level. The Group enters into derivative contracts and issues financial liabilities to manage the market risk. In general, the Group applies hedge accounting in order to minimize the volatility of profit.

1) Foreign currency risk

The Group is exposed to foreign currency risk arising from sales and purchases denominated in currencies other than functional currency. Main currencies used for these transactions are USD, JPY, CNY and EUR.

Details of significant monetary assets and liabilities denominated in foreign currencies as of March 31, 2025 and December 31, 2024 are as follows (Korean won in millions, and foreign currencies in thousands):

	Currency	March 31, 2025		December 31, 2024	
		Korean won equivalent	Foreign currencies	Korean won equivalent	Foreign currencies
Assets	USD	₩ 13,315,003	₩ 9,079,443	₩ 15,253,310	₩ 10,376,401
	JPY	109,377	11,140,886	118,047	12,605,381
	CNY	158,065	783,743	163,054	810,125
	EUR	282,513	177,922	264,305	172,891
	Others	473,175	-	167,099	-
Liabilities	USD	24,137,376	16,459,172	20,152,622	13,709,266
	JPY	106,836	10,882,099	91,364	9,756,076
	CNY	1,408,515	6,983,908	1,232,054	6,121,401
	EUR	325,535	205,016	301,137	196,985
	Others	246,671	-	589,968	-

39. Financial risk management (cont'd)

If the exchange rate of the currencies fluctuate by 10%, the effects on equity would be as follows (Korean won in millions):

Currency	March 31, 2025		December 31, 2024	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (796,527)	796,527	(360,589)	360,589
JPY	187	(187)	1,964	(1,964)
CNY	(92,033)	92,033	(78,678)	78,678
EUR	(3,166)	3,166	(2,711)	2,711
Others	16,671	(16,671)	(31,123)	31,123

The Group is hedging currency risk by using derivative financial instruments such as currency swaps, currency forwards and others (See Note 21).

2) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Group is exposed to fluctuation risk of interest rate in relation to variable rate loans and borrowings. The Group has entered into currency swap and interest rate swap contracts to manage future cash flow fluctuation risk due to the changes in market interest rate (See Note 21)

(5) Capital risk management

The fundamental goal of capital management is to keep a sound financial structure. The Group is using the debt ratio, calculated as total debt divided by total amount of capital, as an indicator of capital management. The Group maintains a debt ratio of 172.8% as of March 31, 2025. The maturity of the debt is dispersed in the long term; so, debt-repayments are not demanding.

The Group's debt ratio as of March 31, 2025 and December 31, 2024 is as follows (Korean won in millions):

	March 31, 2025	December 31, 2024
Total liabilities	₩ 137,910,344	₩ 134,690,218
Total equity	79,829,130	80,287,536
Debt ratio	172.8%	167.8%

40. Events after the Reporting Period

(1) Participation in capital increase of SK Signet, Inc.

In accordance with the resolution of the Board of Directors on March 7, 2025, the Company acquired 9,511,206 common shares of SK Signet, Inc. for ₩115,000 million through a paid-in capital increase on April 30, 2025.

40. Events after the reporting period (cont'd)

(2) Disposal of shares of ION Clean Energy, Inc.

The Company entered into a share purchase agreement on March 21, 2025 to sell all the convertible preferred shares of ION Clean Energy, Inc., classified as investment securities, and the sale was completed on April 8, 2025.

(3) Participation in capital increase and contribution in kind for Group14 Technologies, Inc.

Through the resolution of the Board of Directors on May 12, 2025, the Company decided to participate in the capital increase of Group14 Technologies, Inc., JV Partner, and to contribute in kind all the common shares of its subsidiary, SK Materials Group14 Co., Ltd., to Group14 Technologies, Inc.. The transaction is scheduled to be carried out after June 2025.

(4) Contribution in kind to SK Ecoplant Co., Ltd.

Through the resolution of the Board of Directors on May 12, 2025, the Company resolved to contribute in kind 3,250,000 common shares of SK Tri Chem Co., Ltd., 2,142,000 common shares of SK Resonac Corporation. and 46,585 common shares of SK Materials JNC Co., Ltd. (contribution in kind amounting to ₩279,928 million) held by the Company, to its subsidiary, SK Ecoplant Co., Ltd.. In return, SK Ecoplant Co., Ltd. resolved to allocate 3,704,070 common shares (scheduled to be issued on December 2, 2025) to the Company, the contributor in kind, through a capital increase by third-party allocation.

(5) Participation in the capital increase of SK Materials Performance Co., Ltd and transfer of lease contract position

In accordance with the resolution of the Board of Directors on May 12, 2025, the Company participated in capital increase of SK Materials Performance Co., Ltd. on May 13, 2025 and additionally acquired 31,873 common shares for ₩30,800 million. In addition, the Company resolved to transfer its position under the real estate lease contract (transaction amount ₩21,970 million) concluded between the Company and SK Specialty Co., Ltd. to SK Materials Performance Co., Ltd. through the resolution of the Board of Directors on May 12, 2025.

(6) Share exchange of SK Materials Performance Co., Ltd.

Through the resolution of the Board of Directors on May 12, 2025, the Company resolved to transfer all issued shares (174,334 shares) of SK Materials Performance Co., Ltd. to its subsidiary, SK Ecoplant Co., Ltd., the subsidiary, and to enter into a comprehensive share exchange agreement (share exchange ratio of 15.3439191 SK Ecoplant Co., Ltd. common shares per one share of SK Materials Performance Co., Ltd.) under which SK Ecoplant Co., Ltd. will issue 2,674,966 common shares to the Company, the shareholder of SK Materials Performance Co., Ltd. The share exchange is scheduled to take place on December 2, 2025.

(7) Waiver for non-compliance with borrowing covenant of SK Functional Polymer, S.A.S

SK Functional Polymer, S.A.S, a subsidiary, did not meet the net debt to EBITDA ratio requirement, in relation to its foreign currency long-term loan of EUR 161 million and classified it as a current liability as of March 31, 2025. However, in May 2025, the lender group issued a one-time waiver letter, exempting the non-compliance issue.

40. Events after the reporting period (cont'd)

(8) Issuance of bonds by SK Innovation Co., Ltd.

SK Innovation Co., Ltd., a subsidiary, resolved at its board meeting on March 28, 2025, to issue corporate bonds (Series 23-1, 23-2 and 23-3), finalized the issuance terms on April 29, 2025, and completed the issuance on April 30, 2025. The total issuance amount was ₩800,000 million, intended for debt repayment.

(9) Issuance of bonds by IGE Co., Ltd.

IGE Co., Ltd., a subsidiary, resolved at its board meeting on March 14, 2025, to issue corporate bonds (Series 2-1 and 2-2), finalized the issuance terms on April 18, 2025, and completed the issuance on April 21, 2025. The total issuance amount was ₩800,000 million, intended for debt repayment.

(10) Contribution in kind by SK Innovation Co., Ltd.

In accordance with the resolution of the Board of Directors on April 29, 2025, SK Innovation Co., Ltd., a subsidiary, plans to contribute construction capital for construction amounting to ₩12,360 million to Jeonnam Offshore Wind Power Co., Ltd., a joint venture in May 2025.

(11) Payment Guarantee Agreement for HSAGP Energy LLC

In accordance with the resolution of the Board of Directors on March 28, 2025, SK Innovation Co., Ltd., a subsidiary, entered into a payment guarantee agreement with SK On Co., Ltd., a subsidiary, to assume joint responsibility for the borrowings of HSAGP Energy LLC of USD 1,500 million, its interest, incidental expenses, and others on April 16, 2025.

(12) Acquisition of call option by SK Battery America, Inc.

SK Battery America, Inc., a subsidiary, acquired a call option which may result in a change in the controlling shareholder pursuant to the shareholder agreement with Yuil Robotics Co., Ltd., an affiliate.

(13) SK Telecom Co., Ltd.'s Quarterly Dividend

SK Telecom Co., Ltd., a subsidiary, declared a quarterly dividend at its board meeting dated April 24, 2025. The key details are as follows.

	Description
Dividends	₩830 per share (total amount : ₩176,696 million)
Market dividend rate	1.48%
Dividend base date	May 31, 2025
Dividend payout date	Payment is expected within June 19, 2025 based on Article 165-12 (3) of the Capital Markets and Financial Investment Business Act

(14) Sale of the shares by SK Telecom Co., Ltd.

SK Telecom Co., Ltd., a subsidiary, resolved to sell shares of Kakao Corp. at the Board of Directors meeting on April 24, 2025 and the sale was finalized on April 25, 2025.

40. Events after the reporting period (cont'd)

(15) USIM data breach of SK Telecom Co., Ltd.

On April 19, 2025, SK Telecom Co., Ltd., a subsidiary, became aware of a data breach incident involving the leakage of USIM information of a number of customers. SK Telecom Co., Ltd. is currently under investigation by a special inspection task force to determine the timing and cause of the breach. As the investigation is still ongoing, SK Telecom Co., Ltd. is currently unable to reasonably estimate any obligations that may arise in connection with this incident.

(16) Retirement of treasury shares of SK Square Co., Ltd.

In accordance with the resolution of the Board of Directors on March 27, 2025, SK Square Co., Ltd., a subsidiary, retired 1,007,198 shares of treasury shares acquired through trust contracts on April 1, 2025.

(17) Resolution of sale of the shares of the subsidiary by Tmap Mobility Co., Ltd.

In accordance with the resolution of the Board of Directors on April 14, 2025, Tmap Mobility Co., Ltd., a subsidiary, resolved to sell all common shares of Airport Limousine Co., Ltd., a subsidiary, and the sale will be completed in 2025.

In accordance with the resolution of the Board of Directors on April 30, 2025, Tmap Mobility Co., Ltd., a subsidiary, resolved to sell all common shares of GOOD SERVICE Co.,LTD, a subsidiary, and the sale was completed on May 7, 2025.

In accordance with the resolution of the Board of Directors on April 23, 2025, Tmap Mobility Co., Ltd., a subsidiary, resolved to sell all common shares of Carrot General Insurance Co.,Ltd., an affiliate, and the sale was completed on April 29, 2025.

(18) Disposal of the shares of id Quantique SA by SK Square Co., Ltd.

In accordance with the resolution of the Board of Directors on February 24, 2025, SK Square Co., Ltd., a subsidiary, entered into a contract to sell all common shares of id Quantique SA and the sale was completed on April 30, 2025.

(19) Disposal of the shares of id SK Electlink Co., Ltd. by SK Networks Co., Ltd.

In accordance with the resolution of the Board of Directors on April 16, 2025, SK Networks Co., Ltd., a subsidiary, resolved to sell 50,847 shares of common shares of SK Electlink Co., Ltd.