



SK Inc. **and its subsidiaries**

Interim condensed consolidated financial statements
for the nine-month periods ended September 30, 2022 and 2021
with the independent auditor's review report

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Report on review of interim condensed consolidated financial statements
(English Translation of a Report Originally Issued in Korean)

The Shareholders and Board of Directors
SK Inc.

We have reviewed the accompanying interim condensed consolidated financial statements of SK Inc. (the “Company”) and its subsidiaries (collectively referred to as the “Group”), which comprise the interim condensed consolidated statement of financial position as of September 30, 2022, and the related interim condensed consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2022 and 2021, interim condensed consolidated statements of changes in equity and interim condensed consolidated statements of cash flows for the nine-month periods then ended, and a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the interim condensed consolidated financial statements

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the Republic of Korea (“KIFRS”) 1034 *Interim Financial Reporting*, and for such internal control as management determines is necessary to enable the preparation of interim condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

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

We conducted our review 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 (“KSA”) 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 review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with KIFRS 1034 *Interim Financial Reporting*.

Other matter

We have audited the consolidated statement of financial position of the Group as of December 31, 2021, and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended (not presented herein) in accordance with KSA, and our report dated March 11, 2022 expressed an unqualified opinion thereon. The accompanying consolidated statement of financial position as of December 31, 2021, presented for comparative purposes, is not different, in all material respects, from the above audited consolidated statement of financial position.



November 14, 2022

This review report is effective as of November 14, 2022, the independent auditor's review report date. Accordingly, certain material subsequent events or circumstances may have occurred during the period from the independent auditor's review report date to the time this review report is used. Such events and circumstances could significantly affect the accompanying interim condensed consolidated financial statements and may result in modifications to this review report.

SK Inc. and its subsidiaries

Interim condensed consolidated financial statements
for the nine-month periods ended September 30, 2022 and 2021

“The accompanying interim condensed consolidated financial statements, including all footnotes and disclosures, have been prepared by, and are the responsibility of, the Group.”

Tae-Won Chey, Dong-Hyun Jang, Sungha Park
Chief Executive Officers
SK Inc.

SK Inc. and its subsidiaries
Interim condensed consolidated statements of financial position
as of September 30, 2022 and December 31, 2021

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Assets					
Current assets:					
Cash and cash equivalents	5	₩ 16,683,704	₩ 12,317,555	\$ 11,627,895	\$ 8,584,859
Short-term financial instruments	5, 32	5,765,761	6,124,750	4,018,512	4,268,713
Trade receivables, net	5, 6, 27, 32, 34	14,461,723	11,387,442	10,079,261	7,936,606
Other receivables, net	5, 27, 31, 34	3,653,274	2,419,559	2,546,190	1,686,339
Inventories, net	7, 32	17,261,310	10,680,704	12,030,464	7,444,037
Short-term investment securities	5, 8, 32, 34	1,158,513	353,355	807,439	246,275
Other current assets	5, 18, 19, 32, 34	6,403,061	4,879,645	4,462,685	3,400,923
Assets held for sale	29	2,504,053	1,030,196	1,745,228	718,007
Total current assets		<u>67,891,399</u>	<u>49,193,206</u>	<u>47,317,674</u>	<u>34,285,759</u>
Non-current assets:					
Long-term financial instruments	5, 32	140,880	48,092	98,188	33,518
Long-term trade receivables, net	5, 6, 27, 34	503,923	391,739	351,215	273,027
Long-term other receivables, net	5, 27, 31, 34	226,849	318,884	158,105	222,250
Long-term investment securities	5, 8, 32, 34	9,731,835	9,546,185	6,782,712	6,653,321
Investments in associates and joint ventures	9, 32	30,177,773	26,050,445	21,032,738	18,156,151
Property, plant and equipment, net	10, 32	57,747,719	51,393,741	40,247,922	35,819,446
Right-of-use assets, net	11	5,357,180	5,034,316	3,733,747	3,508,723
Investment property, net	12, 32	1,599,487	967,128	1,114,780	674,051
Goodwill	13	8,221,702	5,618,511	5,730,208	3,915,884
Intangible assets, net	14	12,455,359	12,681,890	8,680,903	8,838,786
Deferred tax assets		918,636	765,000	640,254	533,176
Other non-current assets	5, 18, 19, 27, 34	4,263,352	3,359,226	2,971,390	2,341,251
Total non-current assets		<u>131,344,695</u>	<u>116,175,157</u>	<u>91,542,162</u>	<u>80,969,584</u>
Total assets		<u>₩ 199,236,094</u>	<u>₩ 165,368,363</u>	<u>\$ 138,859,836</u>	<u>\$ 115,255,343</u>
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	5, 15, 34	₩ 17,015,600	₩ 7,657,381	\$ 11,859,214	\$ 5,336,898
Trade payables	5, 27, 34	14,173,488	9,519,544	9,878,372	6,634,753
Other payables	5, 27, 34	7,361,427	7,049,872	5,130,629	4,913,488
Provisions	16	570,017	530,049	397,280	369,424
Current portion of long-term debt	5, 15, 34	12,066,598	7,828,071	8,409,951	5,455,862
Other current liabilities	5, 18, 19	12,212,761	11,991,798	8,511,821	8,357,819
Liabilities held for sale	29	621,068	398,144	432,860	277,491
Total current liabilities		<u>64,020,959</u>	<u>44,974,859</u>	<u>44,620,127</u>	<u>31,345,735</u>
Non-current liabilities:					
Bonds payable and long-term borrowings	5, 15, 34	43,716,522	42,620,141	30,468,722	29,704,587
Long-term other payables	5, 34	1,490,301	1,854,343	1,038,682	1,292,405
Defined benefit liabilities	17	354,088	283,938	246,786	197,894
Provisions	16	823,092	706,452	573,663	492,370
Deferred tax liabilities		5,050,234	3,807,437	3,519,817	2,653,636
Other non-current liabilities	5, 18, 19, 27, 34	6,377,330	5,568,542	4,444,752	3,881,058
Total non-current liabilities		<u>57,811,567</u>	<u>54,840,853</u>	<u>40,292,422</u>	<u>38,221,950</u>
Total liabilities		<u>121,832,526</u>	<u>99,815,712</u>	<u>84,912,549</u>	<u>69,567,685</u>
Equity					
Equity attributable to owners of the parent:					
Issued capital	1, 20	16,143	16,143	11,251	11,251
Other paid-in capital	20	6,508,514	6,445,296	4,536,182	4,492,122
Retained earnings	20	15,876,945	14,061,050	11,065,615	9,800,007
Other components of equity	20	2,977,154	721,262	2,074,961	502,692
Total equity attributable to owners of the parent		<u>25,378,756</u>	<u>21,243,751</u>	<u>17,688,009</u>	<u>14,806,072</u>
Non-controlling interests		52,024,812	44,308,900	36,259,278	30,881,586
Total equity		<u>77,403,568</u>	<u>65,552,651</u>	<u>53,947,287</u>	<u>45,687,658</u>
Total liabilities and equity		<u>₩ 199,236,094</u>	<u>₩ 165,368,363</u>	<u>\$ 138,859,836</u>	<u>\$ 115,255,343</u>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

SK Inc. and its subsidiaries
Interim condensed consolidated statements of comprehensive income
for the three-month and nine-month periods ended September 30, 2022 and 2021

(Korean won in millions, except for earnings per share)

	Notes	Korean won			
		September 30, 2022 (Unaudited)		September 30, 2021 (Unaudited)	
		Three months	Nine months	Three months	Nine months
Sales	4, 27	₩ 36,583,470	₩ 100,017,771	₩ 25,012,174	₩ 69,718,766
Cost of sales	24, 27	<u>32,866,837</u>	<u>86,468,651</u>	<u>22,064,114</u>	<u>61,327,212</u>
Gross profit		3,716,633	13,549,120	2,948,060	8,391,554
Selling and administrative expenses	21, 24, 27	1,817,814	5,053,091	1,394,517	4,036,707
Operating income	4	1,898,819	8,496,029	1,553,543	4,354,847
Finance income	22	2,994,490	7,293,419	1,087,473	2,601,006
Finance costs	22	3,606,855	9,652,829	1,619,896	3,942,347
Gain on investments in associates and joint ventures, net	9	219,361	1,262,401	653,236	1,369,591
Other non-operating income	23	164,305	1,221,539	266,157	1,852,311
Other non-operating expenses	23	226,095	411,548	250,587	1,471,830
Profit from continuing operations before income tax expense	4	1,444,025	8,209,011	1,689,926	4,763,578
Income tax expense from continuing operations	25	658,293	2,704,597	769,697	1,956,005
Profit for the period from continuing operations	4	785,732	5,504,414	920,229	2,807,573
Gain (loss) from discontinued operation	28	(2,779)	646,581	67,273	306,616
Profit for the period		₩ 782,953	₩ 6,150,995	₩ 987,502	₩ 3,114,189
Attributable to:					
Owners of the parent		179,368	2,200,025	14,597	745,937
Non-controlling interests		603,585	3,950,970	972,905	2,368,252
Other comprehensive income (loss):					
Items that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Remeasurement gain on defined benefit plans		89,299	117,555	27,553	17,075
Net gain (loss) on valuation of financial assets at FVOCI		206,867	(1,501,910)	328,005	1,077,649
Items that may be reclassified to profit or loss in subsequent periods (net of tax):					
Equity adjustments of investments in associates and joint ventures		387,532	707,910	63,233	333,729
Net gain on valuation of derivative financial instruments		167,284	176,549	136,872	151,864
Net gain on translation of foreign operations		2,896,170	4,573,891	846,970	1,406,622
		<u>3,747,152</u>	<u>4,073,995</u>	<u>1,402,633</u>	<u>2,986,939</u>
Total comprehensive income for the period		₩ 4,530,105	₩ 10,224,990	₩ 2,390,135	₩ 6,101,128
Attributable to:					
Owners of the parent		2,419,670	4,523,826	514,436	1,917,014
Non-controlling interests		2,110,435	5,701,164	1,875,699	4,184,114
Earnings per share (Korean won):	26				
Basic earnings per share		₩ 3,180	₩ 39,144	₩ 263	₩ 14,196
Diluted earnings per share		3,174	39,062	262	14,166
Basic earnings (loss) per share from continuing operations		3,373	34,198	(298)	11,587
Diluted earnings (loss) per share from continuing operations		3,377	34,127	(298)	11,563

(Continued)

SK Inc. and its subsidiaries
Interim condensed consolidated statements of comprehensive income
for the three-month and nine-month periods ended September 30, 2022 and 2021 (cont'd)
(U.S. dollar in thousands, except for earnings per share)

	Notes	Translation into U.S. dollar (Note 2)			
		September 30, 2022		September 30, 2021	
		(Unaudited)		(Unaudited)	
		Three months	Nine months	Three months	Nine months
Sales	4, 27	\$ 25,497,261	\$ 69,708,511	\$ 17,432,516	\$ 48,591,278
Cost of sales	24, 27	<u>22,906,912</u>	<u>60,265,299</u>	<u>15,377,832</u>	<u>42,742,690</u>
Gross profit		2,590,349	9,443,212	2,054,684	5,848,588
Selling and administrative expenses	21, 24, 27	1,266,946	3,521,809	971,924	2,813,428
Operating income	4	1,323,403	5,921,403	1,082,760	3,035,160
Finance income	22	2,087,043	5,083,231	757,927	1,812,800
Finance costs	22	2,513,838	6,727,648	1,129,006	2,747,663
Gain on investments in associates and joint ventures, net	9	152,886	879,845	455,280	954,552
Other non-operating income	23	114,514	851,365	185,501	1,290,989
Other non-operating expenses	23	157,579	286,833	174,649	1,025,808
Profit from continuing operations before income tax expense	4	1,006,429	5,721,363	1,177,813	3,320,030
Income tax expense from continuing operations	25	458,804	1,885,000	536,449	1,363,260
Profit for the period from continuing operations	4	547,625	3,836,363	641,364	1,956,770
Gain (loss) from discontinued operation	28	(1,937)	450,642	46,887	213,699
Profit for the period		\$ 545,688	\$ 4,287,005	\$ 688,251	\$ 2,170,469
Attributable to:					
Owners of the parent		125,013	1,533,332	10,174	519,889
Non-controlling interests		420,675	2,753,673	678,077	1,650,580
Other comprehensive income (loss):					
Items that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Remeasurement gain on defined benefit plans		62,238	81,931	19,203	11,901
Net gain (loss) on valuation of financial assets at FVOCI		144,178	(1,046,773)	228,607	751,080
Items that may be reclassified to profit or loss in subsequent periods (net of tax):					
Equity adjustments of investments in associates and joint ventures		270,095	493,386	44,071	232,596
Gain on valuation of derivative financial instruments		116,590	123,048	95,394	105,843
Net gain on translation of foreign operations		2,018,518	3,187,825	590,305	980,361
		<u>2,611,619</u>	<u>2,839,417</u>	<u>977,580</u>	<u>2,081,781</u>
Total comprehensive income for the period		\$ 3,157,307	\$ 7,126,422	\$ 1,665,831	\$ 4,252,250
Attributable to:					
Owners of the parent		1,686,416	3,152,932	358,541	1,336,085
Non-controlling interests		1,470,891	3,973,490	1,307,290	2,916,165
Earnings per share (U.S. dollar):	26				
Basic earnings per share		\$ 2.22	\$ 27.28	\$ 0.18	\$ 9.89
Diluted earnings per share		2.21	27.22	0.18	9.87
Basic earnings (loss) per share from continuing operations		2.35	23.83	(0.21)	8.08
Diluted earnings (loss) per share from continuing operations		2.35	23.79	(0.21)	8.06

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

SK Inc. and its subsidiaries
Interim condensed consolidated statements of changes in equity
for the nine-month periods ended September 30, 2022 and 2021

(Korean won in millions)

	Issued capital	Other paid-in capital	Retained earnings	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
As of January 1, 2021	₩ 15,385	₩ 5,250,146	₩ 12,496,676	₩ (327,163)	₩ 17,435,044	₩ 34,424,874	₩ 51,859,918
Total comprehensive income:							
Profit for the period	-	-	745,937	-	745,937	2,368,252	3,114,189
Remeasurement gain on defined benefit plans	-	-	6,133	-	6,133	10,942	17,075
Net gain on valuation of financial instruments at FVOCI	-	-	38,775	187,850	226,625	851,024	1,077,649
Equity adjustments of investments in associates and joint ventures	-	-	-	97,473	97,473	236,256	333,729
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(220)	(220)	152,084	151,864
Net gain on translation of foreign operations	-	-	-	841,066	841,066	565,556	1,406,622
Transaction with shareholders:							
Dividends	-	-	(396,563)	-	(396,563)	(786,209)	(1,182,772)
Equity transactions within consolidated entities	-	1,707,445	-	-	1,707,445	2,914,723	4,622,168
Changes in the scope of consolidation	-	-	-	-	-	142,848	142,848
Others	-	804	(7,797)	-	(6,993)	738	(6,255)
As of September 30, 2021 (Unaudited)	₩ 15,385	₩ 6,968,395	₩ 12,883,161	₩ 799,006	₩ 20,655,947	₩ 40,881,088	₩ 61,537,035
As of January 1, 2022	₩ 16,143	₩ 6,445,296	₩ 14,061,050	₩ 721,262	₩ 21,243,751	₩ 44,308,900	₩ 65,552,651
Total comprehensive income:							
Profit for the period	-	-	2,200,025	-	2,200,025	3,950,970	6,150,995
Remeasurement gain on defined benefit plans	-	-	52,015	-	52,015	65,540	117,555
Net gain (loss) on valuation of financial instruments at FVOCI	-	-	15,894	(741,764)	(725,870)	(776,040)	(1,501,910)
Equity adjustments of investments in associates and joint ventures	-	-	-	298,208	298,208	409,702	707,910
Net gain on valuation of derivative financial instruments	-	-	-	49,282	49,282	127,267	176,549
Net gain on translation of foreign operations	-	-	-	2,650,166	2,650,166	1,923,725	4,573,891
Transaction with shareholders:							
Dividends	-	-	(453,321)	-	(453,321)	(1,096,926)	(1,550,247)
Stock compensation expense	-	30,899	-	-	30,899	122,301	153,200
Equity transactions within consolidated entities	-	39,264	-	-	39,264	2,113,523	2,152,787
Changes in the scope of consolidation	-	-	-	-	-	870,391	870,391
Others	-	(6,945)	1,282	-	(5,663)	5,459	(204)
As of September 30, 2022 (Unaudited)	₩ 16,143	₩ 6,508,514	₩ 15,876,945	₩ 2,977,154	₩ 25,378,756	₩ 52,024,812	₩ 77,403,568

(Continued)

SK Inc. and its subsidiaries
Interim condensed consolidated statements of changes in equity
for the nine-month periods ended September 30, 2022 and 2021 (cont'd)
(U.S. dollar in thousands)

	Issued capital	Other capital paid-in capital	Retained earnings	Other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
As of January 1, 2021	\$ 10,723	\$ 3,659,148	\$ 8,709,699	\$ (228,020)	\$ 12,151,550	\$ 23,992,803	\$ 36,144,353
Total comprehensive income:							
Profit for the period	-	-	519,889	-	519,889	1,650,580	2,170,469
Remeasurement gain on defined benefit plans	-	-	4,274	-	4,274	7,626	11,900
Net gain on valuation of financial instruments at FVOCI	-	-	27,025	130,925	157,950	593,131	751,081
Equity adjustments of investments in associates and joint ventures	-	-	-	67,935	67,935	164,661	232,596
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(153)	(153)	105,997	105,844
Net gain on translation of foreign operations	-	-	-	586,190	586,190	394,171	980,361
Transaction with shareholders:							
Dividends	-	-	(276,389)	-	(276,389)	(547,957)	(824,346)
Equity transactions within consolidated entities	-	1,190,023	-	-	1,190,023	2,031,449	3,221,472
Changes in the scope of consolidation	-	-	-	-	-	99,560	99,560
Others	-	560	(5,434)	-	(4,874)	514	(4,360)
As of September 30, 2021 (Unaudited)	\$ 10,723	\$ 4,849,731	\$ 8,979,064	\$ 556,877	\$ 14,396,395	\$ 28,492,535	\$ 42,888,930
As of January 1, 2022	\$ 11,251	\$ 4,492,122	\$ 9,800,007	\$ 502,692	\$ 14,806,072	\$ 30,881,586	\$ 45,687,658
Total comprehensive income:							
Profit for the period	-	-	1,533,332	-	1,533,332	2,753,673	4,287,005
Remeasurement gain on defined benefit plans	-	-	36,252	-	36,252	45,679	81,931
Net gain (loss) on valuation of financial instruments at FVOCI	-	-	11,078	(516,981)	(505,903)	(540,870)	(1,046,773)
Equity adjustments of investments in associates and joint ventures	-	-	-	207,839	207,839	285,546	493,385
Net gain on valuation of derivative financial instruments	-	-	-	34,348	34,348	88,700	123,048
Net gain on translation of foreign operations	-	-	-	1,847,063	1,847,063	1,340,762	3,187,825
Transaction with shareholders:							
Dividends	-	-	(315,947)	-	(315,947)	(764,515)	(1,080,462)
Stock compensation expense	-	21,535	-	-	21,535	85,239	106,774
Equity transactions within consolidated entities	-	27,365	-	-	27,365	1,473,044	1,500,409
Changes in the scope of consolidation	-	-	-	-	-	606,629	606,629
Others	-	(4,840)	893	-	(3,947)	3,805	(142)
As of September 30, 2022 (Unaudited)	\$ 11,251	\$ 4,536,182	\$ 11,065,615	\$ 2,074,961	\$ 17,688,009	\$ 36,259,278	\$ 53,947,287

SK Inc. and its subsidiaries
Interim condensed consolidated statements of cash flows
for the nine-month periods ended September 30, 2022 and 2021
(Korean won in millions and U.S. dollar in thousands)

		For the nine-month period ended September 30			
		Korean won		Translation into U.S. dollar (Note 2)	
Notes		2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
Cash flows from operating activities:					
		₩ 6,150,995	₩ 3,114,189	\$ 4,287,005	\$ 2,170,469
		9,886,605	6,705,341	6,890,581	4,673,363
	30	(7,077,003)	(4,270,812)	(4,932,397)	(2,976,590)
		247,895	124,811	172,773	86,988
		(1,424,680)	(1,074,265)	(992,947)	(748,721)
		491,851	261,835	342,801	182,489
		(2,158,799)	(1,693,908)	(1,504,599)	(1,180,588)
		6,116,864	3,167,191	4,263,217	2,207,410
Cash flows from investing activities:					
		274,841	(2,394,541)	191,554	(1,668,902)
		144,774	76,978	100,902	53,651
		(616,998)	31,677	(430,024)	22,078
		617,857	267,176	430,622	186,211
		343,621	176,481	239,491	123,000
		285,247	254,531	198,806	177,398
		26,677	73,134	18,593	50,972
		452,934	509,762	315,677	355,284
		(1,278,585)	(923,968)	(891,124)	(643,970)
		(1,431,095)	(3,564,803)	(997,418)	(2,484,530)
		(9,038,158)	(6,016,417)	(6,299,246)	(4,193,210)
		(349,307)	(290,710)	(243,453)	(202,614)
		(2,140,838)	(437,980)	(1,492,081)	(305,255)
		(497,690)	1,190,260	(346,871)	829,565
		(13,206,720)	(11,048,420)	(9,204,572)	(7,700,322)
Cash flows from financing activities:					
		9,050,352	1,235,041	6,307,745	860,776
		8,627,286	11,512,220	6,012,884	8,023,571
		(6,294,451)	(5,439,619)	(4,386,988)	(3,791,204)
		(404,906)	(426,462)	(282,204)	(297,227)
		(821,520)	(896,056)	(572,568)	(624,516)
		(1,555,994)	(1,197,693)	(1,084,468)	(834,746)
		1,972,555	5,538,718	1,374,794	3,860,272
		(78,869)	101,229	(54,969)	70,553
		10,494,453	10,427,378	7,314,226	7,267,479
		3,404,597	2,546,149	2,372,871	1,774,567
		974,860	367,054	679,440	255,822
		(13,308)	88,531	(9,275)	61,703
		12,317,555	10,096,940	8,584,859	7,037,176
		₩ 16,683,704	₩ 13,098,674	\$ 11,627,895	\$ 9,129,268

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

SK Inc. and its subsidiaries
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1. Corporate information

1.1 Parent

SK Inc. (the “Company”) was established on April 13, 1991 and has been engaged in providing systems integration, software design and development, information processing and consulting services, 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 to its current form as of the acquisition date.

As of September 30, 2022, the issued capital of the Company amounts to ₩16,143 million (including ₩113 million of preferred shares). Major shareholders and their equity ownership are Tae-won Chey, National Pension Service and Ki-won Choi each holding 17.50%, 8.78% and 6.50% respectively, as of September 30, 2022.

1.2 Consolidated subsidiaries

The Company and its subsidiaries (collectively, the “Group”) are engaged in petroleum refining, telecommunications, wholesale and retail, chemicals, construction and other industries. Subsidiaries whose accounts are included in the consolidated financial statements as of September 30, 2022 are as follows:

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
SK Innovation Co., Ltd. (*2)	Korea	Resource development	SK Inc.	33.77%
SK Energy Co., Ltd.	Korea	Crude oil refining and sales	SK Innovation Co., Ltd.	100.00%
Netruck Co., Ltd.	Korea	gas station operation	SK Energy Co., Ltd.	100.00%
Jeju United FC Corporation	Korea	Sports association sponsoring	SK Energy Co., Ltd.	100.00%
Happy Didim Co., Ltd.	Korea	Service	SK Energy Co., Ltd.	100.00%
Green & Co. Asia Ltd.	Myanmar	Manufacturing	SK Energy Co., Ltd.	80.00%
SK Energy Hong Kong Co., Ltd.	Hong Kong	Investment	SK Energy Co., Ltd.	100.00%
SK Energy Road Investment Co., Ltd.	Cayman	Investment	SK Energy Co., Ltd.	100.00%
SK Energy Road Investment (HK) Co., Ltd.	Hong Kong	Investment	SK Energy Road Investment Co., Ltd.	100.00%
SK Asphalt (Shanghai) Co., Ltd.	China	the sale of asphalt	SK Energy Road Investment (HK) Co., Ltd.	100.00%
goodsFLOW Co., Ltd. (*2)	Korea	the information and communication	SK Energy Co., Ltd.	41.00%
goodsCORE Co., Ltd.	Korea	Business Support Service Industry	goodsFLOW Co., Ltd.	100.00%
goodsPOST Co., Ltd.	Korea	Transportation industry	goodsFLOW Co., Ltd.	100.00%
SK Geo Centric Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd.	100.00%
SK Geo Centric (Beijing) Holding Co., Ltd. (formerly, SK Global Chemical (China) Holding Co., Ltd.)	China	Investment	SK Geo Centric Co., Ltd.	100.00%
SK Geo Centric China, Ltd. (formerly, SK Global Chemical China Limited)	Hong Kong	Investment	SK Geo Centric Co., Ltd.	100.00%
Sino-Korea Green New Material (JiangSu) Ltd.	China	Petrochemicals manufacture and sales	SK Geo Centric China, Ltd.	100.00%
SK Geo Centric International Trading (Shanghai) Co., Ltd. (formerly, SK Global Chemical International Trading (Shanghai) Co., Ltd.)	China	Petrochemicals sales	SK Geo Centric China, Ltd.	100.00%
SK Geo Centric International Trading (Guangzhou) Co., Ltd. (formerly, SK Global Chemical International Trading (Guangzhou) Co., Ltd.)	China	Petrochemicals sales	SK Geo Centric China, Ltd.	100.00%
SK GC Americas, Inc.	USA	Petrochemicals sales	SK Geo Centric Co., Ltd.	100.00%
SK Primacor Americas LLC	USA	Petrochemicals manufacture and sales	SK Global Chemical Americas, Inc.	100.00%
SK Primacor Europe, S.L.U.	Spain	Petrochemicals manufacture and sales	SK Global Chemical Americas, Inc.	100.00%
SK Saran Americas LLC	USA	Petrochemicals manufacture and sales	SK Global Chemical Americas, Inc.	100.00%
SK Geo Centric Brazil LTDA	Brazil	Petrochemicals manufacture and sales	SK Global Chemical Americas, Inc.	100.00%
SK Geo Centric Japan Co., Ltd.	Japan	Petrochemicals sales	SK Geo Centric Co., Ltd.	100.00%
SK Geo Centric Singapore Pte. Ltd.	Singapore	Petrochemicals sales	SK Geo Centric Co., Ltd.	100.00%
SK Geo Centric Investment Hong Kong Ltd.	Hong Kong	Investment	SK Geo Centric Co., Ltd.	100.00%
Ningbo SK Performance Rubber Co., Ltd.	China	Manufacturing	SK Geo Centric Investment Hong Kong Ltd.	80.00%
Happymoem Co., Ltd.	Korea	Service	SK Geo Centric Co., Ltd.	100.00%
SK Functional Polymer, S.A.S	France	Petrochemicals manufacture and sales	SK Geo Centric Co., Ltd.	100.00%
Green & Connect Capital, Inc.	USA	Investment	SK Geo Centric Co., Ltd.	100.00%
Won Poll Co., Ltd.	Korea	Petrochemicals manufacture and sales	SK Geo Centric Co., Ltd.	100.00%
SK Incheon Petrochem Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd.	100.00%
SK Trading International Co., Ltd.	Korea	Trading business	SK Innovation Co., Ltd.	100.00%
SK Energy International Pte. Ltd.	Singapore	Trading business	SK Trading International Co., Ltd.	100.00%
SK Energy Europe, Ltd.	UK	Trading business	SK Energy International Pte. Ltd.	100.00%
SK Energy Americas, Inc.	USA	Trading business	SK Energy International Pte. Ltd.	100.00%
SK Terminal B.V.	Netherlands	Investment	SK Energy International Pte. Ltd.	100.00%
SK Lubricants Co., Ltd.	Netherlands	Lubricants oil manufacturing and sales	SK Innovation Co., Ltd.	60.00%
Yubase Manufacturing Asia Corporation	Korea	Lubricants oil processing	SK Lubricants Co., Ltd.	70.00%
SK Energy Lubricants (Tianjin) Co., Ltd.	China	Lubricants oil manufacturing and sales	SK Lubricants Co., Ltd.	100.00%
SK Lubricants Americas, Inc.	USA	Lubricants oil sales	SK Lubricants Co., Ltd.	100.00%
SK Lubricants Europe B.V.	Netherlands	Lubricants oil sales	SK Lubricants Co., Ltd.	100.00%
SK Lubricants Japan Co., Ltd.	Japan	Lubricants oil sales	SK Lubricants Co., Ltd.	100.00%
SK Lubricants & Oils India Pvt. Ltd.	India	Lubricants oil sales	SK Lubricants Co., Ltd.	100.00%
Iberian Lube Base Oils Company, S.A.	Spain	Lubricants oil manufacturing and sales	SK Lubricants Co., Ltd.	70.00%
SK Lubricants Russia LLC.	Russia	Lubricants oil sales	SK Lubricants Co., Ltd.	100.00%
SK ie technology Co., Ltd.	Korea	Manufacture of Separators for secondary Cells	SK Innovation Co., Ltd.	61.20%
SK Hi-tech Battery Materials(Jiang Su) Co., Ltd.	China	Separation membrane for secondary battery manufacturing	SK ie technology Co., Ltd.	100.00%
SK Hi-tech Battery Materials Poland Sp. Zo.o.	Poland	Separation membrane for secondary	SK ie technology Co., Ltd.	100.00%

SK Inc. and its subsidiaries
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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
SK Innovation Insurance (Bermuda), Ltd.	Bermuda	Insurance	SK Innovation Co., Ltd.	100.00%
SK USA, Inc.	USA	Management consulting services battery manufacturing	SK Innovation Co., Ltd.	100.00%
Blue Dragon Energy Co., Limited	Hong Kong	Investment	SK Innovation Co., Ltd.	100.00%
Happy Kium Co., Ltd.	Korea	Service	SK Innovation Co., Ltd.	100.00%
SK E&P Company, Ltd.	USA	Crude oil development	SK Innovation Co., Ltd.	100.00%
SK On Co., Ltd.	Korea	Lithium battery manufacturing	SK Innovation Co., Ltd.	100.00%
SK On Hungary Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
SK On(Jiangsu) Co., Ltd.	China	Lithium battery manufacturing	SK On Co., Ltd.	70.04%
SK On(Yancheng) Co., Ltd.	China	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
SK Battery America, Inc.	USA	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
BlueOval SK, LLC (*2)	USA	Lithium battery manufacturing	SK Battery America, Inc.	50.00%
SK Battery Manufacturing Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
SK On (Shanghai) Co., Ltd. (formerly, SK Future Energy (Shanghai) Co., Ltd.)	China	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
SK Mobile Energy Co., Ltd.	Korea	Lithium battery manufacturing	SK On Co., Ltd.	100.00%
Yancheng Yandu District M Energy Consulting Limited Company	China	Service / manufacturing service	SK Mobile Energy Co., Ltd.	100.00%
Mobile Energy Battery America, LLC.	USA	Service / manufacturing service	SK Mobile Energy Co., Ltd.	100.00%
Happy Mideum Co., Ltd.	Korea	Service	SK On Co., Ltd.	100.00%
SK on Certification Center (Jiangsu) Co., Ltd. (formerly, Jiangsu SK Battery Certification Center)	China	Lithium cell certification	SK On Co., Ltd.	100.00%
SK Earthon Co., Ltd.	Korea	Oil development	SK Innovation Co., Ltd.	100.00%
SK Innovation America, Inc.	America	Investment	SK Innovation Co., Ltd.	100.00%
Grove Energy Capital IV, LLC	America	Investment	SK Innovation America, Inc.	100.00%
SK Telecom Co., Ltd. (*2)	Korea	Mobile telecommunications	SK Inc.	30.01%
SK Telink Co., Ltd.	Korea	International call and MVNO business	SK Telecom Co., Ltd.	100.00%
SK Broadband Co., Ltd.	Korea	Wire communications	SK Telecom Co., Ltd.	74.34%
Home&Service Co., Ltd.	Korea	Information and communication facilities management business	SK Broadband Co., Ltd.	100.00%
Media S Co., Ltd.	Korea	Broadcasting program production	SK Broadband Co., Ltd.	100.00%
Broadband Nowon Broadcasting Corporation	Korea	Broadcasting business	SK Telecom Co., Ltd.	100.00%
SK Stoa Co., Ltd.	Korea	Other resale communication business	SK Telecom Co., Ltd.	100.00%
PS&Marketing Corp	Korea	Resale communication business	SK Telecom Co., Ltd.	100.00%
SK M & Service Co., Ltd.	Korea	Providing databases and online information	PS&Marketing Corp	100.00%
Serviceace Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%
Service Top Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%
SK O&S Co., Ltd.	Korea	Maintenance management	SK Telecom Co., Ltd.	100.00%
SK Communications Co., Ltd.	Korea	Internet portal service	SK Telecom Co., Ltd.	100.00%
Quantum Innovation Private Equity Joint Venture	Korea	Investment	SK Telecom Co., Ltd.	59.90%
Panasia Semiconductor Materials, LLC	Korea	Investment	Quantum Innovation Private Equity Joint Venture	66.42%
SK Telecom China Holdings Co., Ltd.	China	Holding Company	SK Telecom Co., Ltd.	100.00%
SK Global Healthcare Business Group, Ltd.	Hong Kong	Investment	SK Telecom Co., Ltd.	100.00%
SK Telecom Americas, Inc.	USA	Management consulting	SK Telecom Co., Ltd.	100.00%
YTK Investment Ltd.	Cayman	Investment	SK Telecom Co., Ltd.	100.00%
Atlas Investmen, Ltd.	Cayman	Investment	SK Telecom Co., Ltd.	100.00%
SK Telecom Innovation Fund, L.P.	USA	Investment	Atlas Investment, Ltd.	100.00%
SK Telecom China Fund I L.P.	Cayman	Investment	Atlas Investment, Ltd.	100.00%
SK Telecom Japan Inc.	Japan	Management consulting and information gathering	SK Telecom Co., Ltd.	100.00%
SK Planet Japan, K. K.	Japan	Digital contents sourcing and presenting	SK Telecom Japan Inc.	79.78%
Happy Hanool Co., Ltd.	Korea	Service	SK Telecom Co., Ltd.	100.00%
SK MENA Investment B.V.	Netherlands	Investment	SK Telecom Co., Ltd.	100.00%
SK Latin Americas Investment S.A.	Spain	Investment	SK Telecom Co., Ltd.	100.00%
Freedom Circle Capital, Inc	USA	Investment	SK Latin America Investment S.A.	100.00%
Montague ESG Capital, LLC	USA	Investment	Freedom Circle Capital, Inc	100.00%
SK Technology Innovation Company	Cayman	Research and development	SK Telecom Co., Ltd.	96.88%
Sapeon Inc.	USA	Non-memory and others Electronic Integrated circuit manufacturing	SK Telecom Co., Ltd.	75.01%
SAPEON Korea Inc.	Korea	Non-memory and others Electronic Integrated circuit manufacturing	SK Telecom Co., Ltd.	100.00%
SK Square Co., Ltd. (*2)	Korea	Holding Company	SK Inc.	30.01%
One store Co., Ltd. (*2)	Korea	Telecommunication service	SK Square Co., Ltd.	47.49%
Rokey Media Co., Ltd.	Korea	Publication and telemarketing	One store Co., Ltd.	100.00%
Onestore Global Pte. Ltd.	Singapore	Internet Information Mediation Service	One store Co., Ltd.	100.00%
11street Co., Ltd. (*3)	Korea	E-commerce	SK Square Co., Ltd.	98.10%
SK Shieldus Co., Ltd.	Korea	Information security service and automatic security	SK Square Co., Ltd.	63.13%
CAPSTEC Co., Ltd.	Korea	Manned security	SK Shieldus Co., Ltd.	100.00%
Infosec Information Technology (Wuxi) Co., Ltd. (formerly, SKinfosec Information Technology (Wuxi) Co., Ltd.)	China	System software development and supplying	SK Shieldus Co., Ltd.	100.00%
SK Shieldus America, Inc. (formerly, CAPS America Inc.)	USA	System software development and supplying	SK Shieldus Co., Ltd.	100.00%
SK Planet Co., Ltd.	Korea	Telecommunication service and system software development and supplying	SK Square Co., Ltd.	98.65%
SK Planet Global Holdings Pte Ltd.	Singapore	Holding Company	SK Planet Co., Ltd.	100.00%
SKP America, LLC	USA	Digital contents sourcing and presenting	SK Planet Co., Ltd.	100.00%
SK Planet, Inc.	USA	Mobile Solutions presenting	SKP America, LLC	100.00%
SCODYS Pte. Ltd.	Singapore	Virtual currency creation and presenting	SK Planet, Inc.	100.00%
K-Net Culture & Contents Venture Fund	Korea	Investment fund and information gathering	SK Planet Co., Ltd.	59.00%
SK Square Americas, Inc	USA	Investment	SK Square Co., Ltd.	100.00%
Dreamus Company Co., Ltd. (*2,4)	Korea	Video and audio equipment manufacturing	SK Square Co., Ltd.	51.44%
Iriver Enterprise Ltd.	Hong Kong	Chinese subsidiary management	Dreamus Company Co., Ltd.	100.00%
Iriver China Co., Ltd.	China	MP3,4 production and sales	Iriver Enterprise, Ltd.	100.00%
Dongguan iriver Electronics Co., Ltd.	China	Electronic book production and sales	Iriver Enterprise, Ltd.	100.00%
Life Design Company Inc.	Japan	Japan goods sales	Dreamus Company Co., Ltd.	100.00%
Studio Dolphin Co., Ltd.	Korea	Publishing	Dreamus Company Co., Ltd.	100.00%

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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity Ownership (%)
Id Quantique SA	Swiss	Quantum information and communication business	SK Square Co., Ltd.	69.30%
Id Quantique Ltd.	Korea	Quantum information and communication business	Id Quantique SA	100.00%
ID Quantique Limited, UK	UK	Quantum information and communication	Id Quantique SA	100.00%
ID Quantique Inc, USA	USA	Quantum information and communication	Id Quantique SA	100.00%
FSK L&S Co., Ltd.	Korea	Cargo transport shipment and logistics consulting project	SK Square Co., Ltd.	60.00%
FSK L&S(Shanghai) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%
FSK L&S(Hungary) Co., Ltd.	Hungary	Transportation industry	FSK L&S Co., Ltd.	100.00%
FSK L&S Vietnam Co., Ltd.	Vietnam	Transportation industry	FSK L&S Co., Ltd.	100.00%
FSK L&S(Jiangsu) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%
Incross Co., Ltd. (*2)	Korea	Media agency	SK Square Co., Ltd.	36.06%
Infra Communications Co., Ltd.	Korea	Service operation business	Incross Co., Ltd.	100.00%
Mindknock Co., Ltd.	Korea	Software development	Incross Co., Ltd.	100.00%
Solution Co., Ltd.	Korea	Software development and presenting	Incross Co., Ltd.	100.00%
Tmap Mobility Co., Ltd.	Korea	Mobility business	SK Square Co., Ltd.	60.11%
YLP Inc.	Korea	Cargo transport shipment business	Tmap Mobility Co., Ltd.	100.00%
Good service Co., Ltd.	Korea	Driving agency service	Tmap Mobility Co., Ltd.	100.00%
Seoul Airbus Co., Ltd.	Korea	Transportation industry	Tmap Mobility Co., Ltd.	100.00%
LOGISOFT.CO.LTD.	Korea	Software development and presenting	Tmap Mobility Co., Ltd.	100.00%
SK Networks Co., Ltd. (*2)	Korea	Distribution and trading business	SK Inc.	39.14%
SK Networks Service Co., Ltd.	Korea	Equipment repair service	SK Networks Co., Ltd.	86.50%
SK Magic Co., Ltd.	Korea	Household appliances manufacturing, sales and rent	SK Networks Co., Ltd.	100.00%
SK Magic Service Co., Ltd.	Korea	House appliances repair and others	SK Magic Co., Ltd.	100.00%
SK Magic Vietnam Company Limited	Vietnam	Household appliances sales and rent	SK Magic Co., Ltd.	100.00%
SK Magic Retails Malaysia Sdn. Bhd. (formerly, SK Networks Retails Malaysia Sdn. Bhd.)	Malaysia	Household appliances sales and rent	SK Magic Co., Ltd.	100.00%
SK Rent-a-Car Co., Ltd.	Korea	Car rental	SK Networks Co., Ltd.	72.95%
SK Rent-a-Car Service Co., Ltd.	Korea	Business support services	SK Rent-a-Car Co., Ltd.	100.00%
SK Networks (Shanghai) Co., Ltd.	China	Trading business	SK Networks Co., Ltd.	100.00%
POSK (Pinghu) Steel Processing Center Co., Ltd.	China	Steel processing and sales	SK Networks Co., Ltd.	80.00%
SK Networks Japan Co., Ltd.	Japan	Trading business	SK Networks Co., Ltd.	100.00%
SK Networks Deutschland GmbH	Germany	Trading business	SK Networks Co., Ltd.	100.00%
SK BRASIL LTDA	Brazil	Trading business	SK Networks Co., Ltd.	100.00%
SK Networks Trading Malaysia Sdn. Bhd.	Malaysia	Trading business	SK Networks Co., Ltd.	100.00%
SK Networks America, Inc.	USA	Trading business	SK Networks Co., Ltd.	100.00%
Networks Tejarat Pars	Iran	Trading business	SK Networks Co., Ltd.	100.00%
MINTIT Co., Ltd.	Korea	Manufacturing and sales business	SK Networks Co., Ltd.	100.00%
MINTIT VINA	Vietnam	Manufacturing and sales business	MINTIT Co., Ltd.	100.00%
Hico Capital LLC (formerly, TenX Capital)	USA	Investment	SK Networks Co., Ltd.	100.00%
SK Networks Hong Kong Ltd.	Hong Kong	Trading business	SK Networks Co., Ltd.	100.00%
SK Networks (Xiamen) Steel Processing Center Co., Ltd.	China	Steel processing and sales	SK Networks Hong Kong Ltd.	100.00%
SK Networks Resources Australia (Wyong) Pty Ltd. (*5)	Australia	Resource development	SK Networks Co., Ltd.	100.00%
SK Networks Resources Pty Ltd. (*5)	Australia	Resource development	SK Networks Co., Ltd.	100.00%
SK Networks (China) Holdings Co., Ltd. (*5)	China	Holding Company	SK Networks Co., Ltd.	100.00%
Shenyang SK Bus Terminal Co., Ltd. (*5)	China	Bus terminal business	SK Networks (China) Holdings Co., Ltd.	75.00%
SK Networks (Dandong) Energy Co., Ltd. (*5)	China	Petroleum sales	SK Networks (China) Holdings Co., Ltd.	100.00%
Cartini Co., Ltd.	Korea	E-commerce retail business	SK Networks Co., Ltd.	100.00%
SKC Co., Ltd. (*2)	Korea	Petrochemicals manufacturing	SK Inc.	40.64%
Woori Fine Chem Co., Ltd.	Korea	Wholesale of other chemicals and chemicals	SKC Co., Ltd.	100.00%
SK Telesys Co., Ltd.	Korea	Sales of semiconductor parts, materials and others	SKC Co., Ltd.	81.40%
Techdream Co., Ltd.	Hong Kong	Sales of semiconductor component	SK Telesys Co., Ltd.	100.00%
SK Telesys Corp.	USA	Sales of communication equipment	SK Telesys Co., Ltd.	100.00%
SKC Solmics Co., Ltd.	Korea	Manufacturing and sales of semiconductor parts, materials and others	SKC Co., Ltd.	100.00%
Solmics Taiwan Co., Ltd.	Taiwan	Sales of semiconductor parts, materials and others	SKC Solmics Co., Ltd.	100.00%
Solmics Shanghai Co., Ltd.	China	Sales of semiconductor parts, materials and others	SKC Solmics Co., Ltd.	100.00%
SKC Solmics Hong kong Co., Ltd.	Hong Kong	SPC	SKC Solmics Co., Ltd.	100.00%
SKC Semiconductor Materials (Wuxi) Co., Ltd.	China	Sales of semiconductor parts, materials and others	SKC Solmics Hong kong Co., Ltd.	100.00%
SKC-ENF Electronic Materials Ltd.	Hong Kong	SPC	SKC Solmics Co., Ltd.	75.10%
SKC (Nantong) Semiconductor Materials Technology Co., Ltd.	China	Manufacturing of synthetic resins	SKC-ENF Electronic Materials Ltd.	100.00%
SE Electronic Materials LLC	China	Manufacturing of synthetic resins	SKC-ENF Electronic Materials Ltd.	100.00%
SKC (Jiangsu) High tech Plastics Co., Ltd. (*5)	China	PET film manufacturing	SKC Co., Ltd.	100.00%
SKC, Inc. (*5)	USA	PET film manufacturing	SKC Co., Ltd.	100.00%
SKC Europe GmbH (*5)	Germany	PET film manufacturing	SKC Co., Ltd.	100.00%
SKC Hi-Tech&Marketing Co., Ltd. (*5)	Korea	PET film manufacturing	SKC Co., Ltd.	100.00%
SKC Hi-Tech&Marketing (Suzhou) Co., Ltd. (*5)	China	PET film manufacturing and sales	SKC Hi-Tech&Marketing Co., Ltd.	100.00%
SKC Hi-Tech&Marketing Polska Sp.z.o.o (*5)	Poland	PET film sales	SKC Hi-Tech&Marketing Co., Ltd.	100.00%
SKC Hi-Tech&Marketing USA, LLC (*5)	USA	PET film sales	SKC Hi-Tech&Marketing Co., Ltd.	100.00%
SKC Hi-Tech&Marketing Vina Co., Ltd. (*5)	Vietnam	PET film sales	SKC Hi-Tech&Marketing Co., Ltd.	100.00%
SKC PU Specialty Co., Ltd.	Hong Kong	SPC	SKC Co., Ltd.	100.00%
SKC (Nantong) PU Specialty Co., Ltd.	China	PU Jounce Bumper manufacturing and sales	SKC PU Specialty Co., Ltd.	100.00%
SK PIC Global Co., Ltd.	Korea	PG and PO manufacturing and sales	SKC Co., Ltd.	51.00%
SKCFTH Co., Ltd.	Korea	Manufacturing of battery foil and others	SKC Co., Ltd.	100.00%
SK Nexilis Co., Ltd.	Korea	Manufacturing of battery foil and others	SKCFTH Co., Ltd.	100.00%
Nexilis Management Malaysia Sdn. Bhd.	Malaysia	SPC	SK Nexilis Co., Ltd.	100.00%
SK Nexilis Malaysia Sdn. Bhd.	Malaysia	Manufacturing of battery foil	Nexilis Management Malaysia Sdn. Bhd.	100.00%
SK Nexilis Poland Sp.z.o.o	Poland	Manufacturing of battery foil	SK Nexilis Co., Ltd.	100.00%
SK TBMGEOSTONE Co., Ltd.	Korea	Manufacturing of biodegradable LIMEX	SKC Co., Ltd.	51.00%
Allnewone Co., Ltd.	Korea	Research and development of waste recycling	SKC Co., Ltd.	100.00%

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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
Ecovance Co. Ltd.	Korea	Manufacturing of biodegradable plastic materials and others	SKC Co., Ltd.	73.19%
SK Pucore Co., Ltd. (formerly, Mitsui Chemicals & SKC Polyurethanes Inc.)	Korea	Manufacturing and sales of Polyol	SKC Co., Ltd.	100.00%
Beijing SK Pucore Inc. (formerly, Beijing Mitsui Chemicals & SKC Polyurethanes Co., Ltd.)	China	Manufacturing and sales of Polyol	SK Pucore Co., Ltd.	100.00%
SK pucore Europe sp. zo.o. (formerly, MCNS Polyurethanes Europe Sp. zo. o.)	Poland	Manufacturing and sales of Polyol	SK pucore Co., Ltd.	100.00%
SK pucore USA Inc. (formerly, MCNS Polyurethanes USA Inc.)	USA	Manufacturing and sales of Polyol	SK pucore Co., Ltd.	100.00%
SK pucore Mexico, S. de R.L. de C.V. (formerly, MCNS Polyurethanes Mexico, S. de R.L. de C.V.)	Mexico	Manufacturing and sales of Polyol	SK pucore Co., Ltd.	100.00%
SK pucore India Pvt. Ltd. (formerly, MCNS Polyurethanes India Private Limited)	India	Manufacturing and sales of Polyol	SK pucore Co., Ltd.	100.00%
SK pucore RUS LLC (formerly, MCNS Polyurethanes RUS Limited Liability Company)	Russia	Manufacturing and sales of Polyol	SK pucore Co., Ltd.	100.00%
NEX Investment Limited	UK	SPC	SKC Co., Ltd.	80.01%
NEX UK Holdings Limited	UK	SPC	NEX Investment Limited	51.00%
SK E&S Co., Ltd.	Korea	City gas business	SK Inc.	90.00%
Kangwon City Gas Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Yeongnam Energy Service Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Ko-one Energy Service Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Narae Energy Service Co., Ltd.	Korea	Integrated energy service	SK E&S Co., Ltd.	100.00%
Pusan City Gas Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Jeonbuk Energy Service Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Chonnam City Gas Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Chungcheong Energy Service Co., Ltd.	Korea	City gas business	SK E&S Co., Ltd.	100.00%
Paju Energy Service Co., Ltd.	Korea	Energy business	SK E&S Co., Ltd.	51.00%
Yeouju Energy Service Co., Ltd.	Korea	Energy business	SK E&S Co., Ltd.	100.00%
Shinanjeungdo Sunlight Co., Ltd.	Korea	New regeneration project	SK E&S Co., Ltd.	100.00%
SK E&S Hong Kong Co., Ltd.	Hong Kong	City gas business	SK E&S Co., Ltd., Pusan City Gas Co., Ltd.	100.00%
SK E&S Australia Pty. Ltd.	Australia	Resource development	SK E&S Co., Ltd.	100.00%
SK E&S Americas, Inc.	USA	Holding Company	SK E&S Co., Ltd.	100.00%
Energy Solution Holdings Inc.	USA	Investment	SK E&S Americas, Inc.	100.00%
Passkey, Inc.	USA	New regeneration project	SK E&S Americas, Inc.	100.00%
Mobility Solution I Inc.	USA	Holding Company	Passkey, Inc.	90.92%
Mobility Solution II Inc.	USA	Holding Company	Mobility Solution I Inc.	100.00%
EverCharge, Inc.	USA	Software development	Mobility Solution II Inc.	100.00%
EverCharge Services, LLC	USA	Electricity business and other electric wire installation business	EverCharge, Inc.	100.00%
LNG Americas, Inc.	USA	LNG business	SK E&S Americas, Inc.	100.00%
LAI LNG, LLC (formerly, SK E&S LNG, LLC)	USA	LNG business	LNG Americas, Inc.	100.00%
LAI CCS, LLC	USA	Carbon capture and storage Related investment projects	LNG Americas, Inc.	100.00%
CAILIP Gas Marketing, LLC	USA	LNG business	LNG Americas, Inc.	100.00%
DewBlaine Energy, LLC	USA	Resource Development	LNG Americas, Inc.	100.00%
Pnes Investments, LLC	USA	Investment	Passkey, Inc.	100.00%
Rnes Holdings, LLC	USA	Renewable / electric power business	Passkey, Inc.	100.00%
Grid Solution, LLC	USA	New regeneration business	Rnes Holdings, LLC	82.64%
Key Capture Energy, LLC	USA	Energy solution	Grid Solution, LLC	97.63%
KCE Global Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE PF Holdings 2021, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE LAND Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 11, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 12, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 14, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 18, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 19, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 21, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 22, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 26, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 27, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 28, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 29, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 32, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE NY 33, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 9, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 11, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 12, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 13, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 14, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 15, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 16, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 19, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 20, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 21, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 22, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 24, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 25, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 26, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 27, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE TX 28, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%

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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
KCE CT 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 9, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE CT 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE MD 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE MI 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE MI 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE MI 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE MI 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE ME 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE ME 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IL 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IL 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IL 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IN 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IN 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IN 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IN 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IN 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE OK 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE OK 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE OK 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE OK 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE IA 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE WI 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE Brushy Creek Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE Texas Holdings 2020, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
Roughneck Storage LLC D/B/A KCE TX 23, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE Market Operations, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
KCE PF Holdings 2022, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%
Grid Solution II, LLC	USA	Energy solution	Rnes Holdings, LLC	100.00%
Prism Energy International Pte. Ltd.	Singapore	LNG business	SK E&S Co., Ltd.	100.00%
Fajar Energy International Pte. Ltd.	Singapore	LNG business	Prism Energy International Pte. Ltd.	100.00%
Prism Energy International Hong Kong, Ltd.	Hong Kong	LNG business	Prism Energy International Pte. Ltd.	100.00%
Prism Darwin Pipeline Pty. Ltd.	Australia	LNG business	Prism Energy International Pte. Ltd.	100.00%
PT Prism Nusantara International	Indonesia	LNG business	SK E&S Co., Ltd.	100.00%
Prism Energy International China Limited	China	LNG business	PT Prism Nusantara International	100.00%
Prism Energy International Zhoushan Limited	China	LNG business	Prism Energy International China Limited.	100.00%
SK E&S Dominicana S.R.L	Dominica	LNG business	SK E&S Co., Ltd.	100.00%
Hae-Ssal Solar Power Co., Ltd.	Korea	New regeneration project	SK E&S Co., Ltd.	100.00%
Prism DLNG Pte. Ltd.	Singapore	LNG business	SK E&S Co., Ltd.	100.00%
BU12 Australia Pty. Ltd.	Australia	LNG business	SK E&S Co., Ltd.	100.00%
BU13 Australia Pty. Ltd.	Australia	LNG business	SK E&S Co., Ltd.	100.00%
Ariulhaengbok Solar Co., Ltd.	Korea	New regeneration project	SK E&S Co., Ltd.	100.00%
Busan Jungkwan Energy Co., Ltd.	Korea	Integrated energy service	SK E&S Co., Ltd.	100.00%
IGE Co., Ltd.	Korea	Hydrogen business	SK E&S Co., Ltd.	100.00%
Dangjin Haengbok Solar Co., Ltd.	Korea	New regeneration business	SK E&S Co., Ltd.	100.00%
Busaho haengboknanum solar Co., Ltd.	Korea	New regeneration business	SK E&S Co., Ltd.	70.00%
NEW RENEWABLE ENERGY NO.1 Joint Stock Company	Vietnam	New regeneration business	SK E&S Co., Ltd.	99.99%
SK Ecoplant Co., Ltd. (*2)	Korea	Construction	SK Inc.	44.48%
Seosuwon Development Company (*2)	Korea	Real estate development and construction	SK Ecoplant Co., Ltd.	19.90%
SKEC Nanjing Co., Ltd.	China	Construction	SK Ecoplant Co., Ltd.	100.00%
Changzhou SKY New Energy Co., Ltd.	China	Investment	SKEC Nanjing Co., Ltd.	100.00%
SKEC (Thai), Ltd.	Thailand	Construction	SK Ecoplant Co., Ltd.	100.00%
Thai Woo Ree Engineering Co., Ltd.	Thailand	Construction	SKEC (Thai), Ltd.	99.77%
SKEC Anadolu, LLC	Turkey	Construction	SK Ecoplant Co., Ltd.	100.00%
SK E&C Betek Corporation	USA	Fuel cell and construction	SK Ecoplant Co., Ltd.	100.00%
Mesa Verde RE Ventures, LLC	USA	Real estate development	SK E&C Betek Corporation	100.00%
BT FC LLC	USA	Construction	SK E&C Betek Corporation	100.00%
Sunlake Co., Ltd.	Canada	Construction	SK Ecoplant Co., Ltd.	100.00%
SKEC Consultores Ecuador, S.A	Ecuador	Construction	Sunlake Co., Ltd.	100.00%
SK HOLDCO PTE. LTD.	Singapore	Investment	SK Ecoplant Co., Ltd.	63.51%
Silvertown Investco Limited	UK	Construction	SK Ecoplant Co., Ltd.	100.00%
Seongju Tech Co., Ltd.	Korea	Machinery manufacturing	SK Ecoplant Co., Ltd.	100.00%
DDS Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Samwon ENT Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Environment Management Corporation Co., Ltd.	Korea	Environmental facility operation project	SK Ecoplant Co., Ltd.	100.00%
YS TEC Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Seonam Environment Energy Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Honam Environmental Energy Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Green Hwasun Inc.	Korea	Operation of sewage treatment plant	Environment Management Corporation Co., Ltd.	100.00%
Green Sunchang Co., Ltd.	Korea	Operation of sewage treatment plant	Environment Management Corporation Co., Ltd.	100.00%
Gyeongsan Clear Mulgil Co., Ltd.	Korea	Operation of sewage treatment plant	Environment Management Corporation Co., Ltd.	100.00%
Dalseong Maleunmulgil Co., Ltd.	Korea	Operation of sewage treatment plant	Environment Management Corporation Co., Ltd.	100.00%
Goksung Environment Co., Ltd.	Korea	Operation of sewage treatment plant	Environment Management Corporation Co., Ltd.	100.00%
Chungcheong Environment Energy Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Gyeonggi Environment Energy Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Gyeongbuk Environment Energy Co., Ltd.	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Gyeongin Environment Energy Company	Korea	Waste incineration	Environment Management Corporation Co., Ltd.	100.00%
Saehan Environment Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Daewon Green Energy Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Daewon Hi-Tech Co., Ltd.	Korea	Construction waste collection and transportation	Daewon Green Energy Co., Ltd.	100.00%
KS Investment B.V.	Netherlands	Investment	SK Ecoplant Co., Ltd.	72.51%
E-MEDI One Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Emedione Logis Co., Ltd.	Korea	Designated waste collection and transportation	E-MEDI One Co., Ltd.	100.00%
City Environment Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
Green Environment Technology Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
DongNam Offshore Windfarm Co. Ltd	Korea	Power generation	SK Ecoplant Co., Ltd.	100.00%
Gangdong Green Complex Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	87.00%
JA GREEN Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%
AP Development Co., Ltd.	Korea	Solar power generation	SK Ecoplant Co., Ltd.	100.00%
DY Indus Co., Ltd.	Korea	Synthetic resins and other plastics material manufacturing industry	SK Ecoplant Co., Ltd.	100.00%
DY Polymer Co., Ltd.	Korea	Synthetic resins and other plastics material manufacturing industry	SK Ecoplant Co., Ltd.	100.00%

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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
Eco Frontier (Singapore) Pte. Ltd	Singapore	Investment	SK Ecoplant Co., Ltd.	100.00%
Tes-Envirocorp Pte. Ltd.	Singapore	E-waste processing industry	Eco Frontier (Singapore) Pte. Ltd.	100.00%
Tes-Amm (H.K.) Limited	Hong Kong	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes-Amm (Singapore) Pte. Ltd.	Singapore	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes-Amm Europe Holdings Ltd	UK	Investment	Tes-Amm (Singapore) Pte. Ltd.	100.00%
Tes Total Environmental Solution Ab	Sweden	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes-Amm Italia Srl	Italy	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes-Amm UK Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes-Amm Espana Asset Recovery Andrecycling, S.L.	Spain	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes-Amm SAS	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes Recupyl	France	E-waste processing industry	Tes-Amm SAS	90.00%
Tes-Amm Central Europe Gmbh	Germany	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Vsl Support Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Technology Supplies International Ltd.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Goldberg Enterprises Ltd	UK	E-waste processing industry	Technology Supplies International Ltd.	100.00%
Tes Consumer Solutions Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Integrations Et Services	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes-Amm (Europe) Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Redeem UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Redeem Holdings Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Custom Controllers UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Envirofone Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Cash For Tech Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Stock Must Go Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd.	100.00%
Tes China Holdings Pte. Ltd.	Virgin Island	Investment	Tes-Amm (Singapore) Pte. Ltd.	100.00%
Tes-Amm Corporation (China) Ltd	China	E-waste processing industry	Tes China Holdings Pte. Ltd.	100.00%
Tes-Amm (Beijing) Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd.	80.00%
Tes-Amm (Suzhou) E-Waste Solutions Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd.	100.00%
Tes-Amm (Guangzhou) Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd.	100.00%
Shanghai Tes-Amm Waste Products Recycle Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd.	100.00%
Shanghai Taixiang Network Technology Co., Ltd	China	E-waste processing industry	Shanghai Tes-Amm Waste Products Recycle Co., Ltd.	100.00%
Tes-Amm Australia Pty Ltd	Australia	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes-Amm New Zealand Limited	New Zealand	E-waste processing industry	Tes-Amm Australia Pty Ltd.	100.00%
Sustainable Product Stewards Pty Ltd	Australia	E-waste processing industry	Tes-Amm Australia Pty Ltd.	80.00%
Tes-Amm Japan K.K.	Japan	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	80.00%
Advanced Datacom (Australia) Pty Ltd	Australia	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Green Technology Management Pty Ltd	Australia	E-waste processing industry	Advanced Datacom (Australia) Pty Ltd.	100.00%
Tes-Amm (Malaysia) Sdn. Bhd.	Malaysia	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes-Amm Korea Inc.	Korea	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	55.00%
Tes-Amm (Taiwan) Co., Ltd	Taiwan	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	70.00%
Total Environmental Solutions Co., Ltd.	Thailand	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	98.00%
Tes-Amm (Cambodia) Co., Ltd	Cambodia	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Pt. Tes-Amm Indonesia	Indonesia	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	66.90%
Tes-Amm Middle East Fze	UAE	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Pc Off Corporation	Japan	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	97.56%
Tes USA, Inc.	USA	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Genplus Pte. Ltd	Singapore	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	60.17%
Tes Sustainability Products Pte. Ltd	Singapore	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes Energy Solutions Pte. Ltd.	Singapore	E-waste processing industry	Tes-Envirocorp Pte. Ltd.	100.00%
Tes Ess Pte. Ltd.	Singapore	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%
Tes B Pte. Ltd.	Singapore	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%
Tes Sustainable Battery Solutions B.V.	Netherlands	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%
Tes Sustainable Battery Solutions Gmbh	Germany	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%
SamKang M&T Co., Ltd. (*2)	Korea	Steel pipe manufacturing	SK Ecoplant Co., Ltd.	30.62%
Goseong Holdings Ltd.	Korea	Holding company	SamKang M&T Co., Ltd.	100.00%
SAM KANG S&C Co., Ltd.	Korea	Shipbuilding industry	Goseong Holdings Ltd.	62.37%
SK Specialty Co., Ltd. (formerly, SK Materials Co., Ltd.)	Korea	Special gas manufacturing and sales	SK Inc.	100.00%
SK Specialty Japan Co., Ltd. (formerly, SK Materials Japan Co., Ltd.)	Japan	Special gas sales	SK Specialty Co., Ltd.	95.00%
SK Specialty Taiwan Co., Ltd. (formerly, SK Materials Taiwan Co., Ltd.)	Taiwan	Special gas sales	SK Specialty Co., Ltd.	100.00%
SK Specialty Jiangsu Co., Ltd. (formerly, SK Materials Jiangsu Co., Ltd.)	China	Special gas manufacturing and sales	SK Specialty Co., Ltd.	100.00%
SK Specialty (Xian) Co., Ltd. (formerly, SK Materials (Xian) Co., Ltd.)	China	Trading business and warehouse operation	SK Specialty Co., Ltd.	100.00%
SK Specialty(Shanghai) Co., Ltd. (formerly,SK Materials (Shanghai) Co., Ltd.)	China	Special gas sales	SK Specialty Co., Ltd.	100.00%
Happy Companion Co., Ltd.	Korea	Cleaning and laundry service	SK Specialty Co., Ltd.	100.00%
SK Tri Chem Co., Ltd.	Korea	Development of precursor products	SK Inc.	65.00%
SK Showa Denko Co., Ltd.	Korea	Sales of raw chemical materials and chemical products related to semiconductor	SK Inc.	51.00%
SK Materials Airplus Inc.	Korea	Industrial gas sales	SK Inc.	100.00%
SK Materials Renewtech Co., Ltd.	Korea	Manufacturing industrial gas	SK Inc.	80.00%
SK Materials Performance Co., Ltd.	Korea	Semiconductor materials manufacturing and selling	SK Inc.	100.00%
SK Materials JNC Co., Ltd.	Korea	Manufacturing of organic light emitting diode material	SK Inc.	51.00%
SK JNC Japan Co., Ltd.	Japan	Manufacturing of organic light emitting diode material	S K Materials JNC Co., Ltd.	100.00%
SK Materials Group14 Co., Ltd.	Korea	Manufacturing	SK Inc.	75.00%
SK Siltron Co., Ltd.	Korea	Silicon wafer for electronic industry manufacturing and sales	SK Inc.	51.00%
SK Siltron America, Inc.	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%
SK Siltron Japan, Inc.	Japan	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%
SK Siltron Shanghai Co., Ltd.	China	Silicon wafer for electronic industry	SK Siltron Co., Ltd.	100.00%
SK Siltron USA, Inc.	USA	Investment	SK Siltron Co., Ltd.	100.00%
SK Siltron CSS, LLC	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron USA, Inc.	100.00%
SK Siltron CSS Korea Co., Ltd.	Korea	Wholesale and retail trade	SK Siltron CSS, LLC	100.00%
Happyfilling Co., Ltd.	Korea	Service	SK Siltron Co., Ltd.	100.00%
Teraon Co., Ltd.	Korea	Manufacturing and service	SK Siltron Co., Ltd.	80.40%
SK Biopharmaceuticals Co., Ltd.	Korea	Medicine and life science	SK Inc.	64.02%
SK Life Science, Inc.	USA	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%
SK Bio-Pharma Tech (Shanghai) Co., Ltd.	China	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%
SK S.E.Asia Pte. Ltd.	Singapore	Investment	SK Inc.	100.00%
Essencore Limited	Hong Kong	Manufacturing and distribution of semiconductor modules	SK S.E.Asia Pte. Ltd.	100.00%

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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
Essencore (ShenZhen) Limited	China	Consulting for computer System interation	Essencore Limited	100.00%
SK China Company, Ltd.	Hong Kong	Consulting and investment	SK Inc.	88.13%
SK Property Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%
SK Industrial Development China Co., Ltd.	Hong Kong	Investment	SK China Company, Ltd.	100.00%
Shanghai SKY Real Estate Development Co., Ltd.	China	Real estate investment	SK Industrial Development China Co., Ltd.	100.00%
Beijing Lishi Weixin Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%
SK China Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%
SK Networks (Liaoning) Logistics Co., Ltd.	China	Logistics	SK China Investment Management Co., Ltd.	100.00%
SK International Agro-Products Logistics Development Co., Ltd.	Hong Kong	Agriculture product logistics	SK China Investment Management Co., Ltd.	100.00%
SK International Agro-Sideline Products Park Co., Ltd.	China	Agriculture product logistics	SK International Agro-Products Logistics Development Co., Ltd.	100.00%
SK Auto Service Hong Kong Co., Ltd.	Hong Kong	Holding Company	SK China Company, Ltd.	100.00%
Skyline Auto Financial Leasing Co., Ltd.	Hong Kong	Investment	SK Auto Service Hong Kong Co., Ltd.	100.00%
SK Financial Leasing Co., Ltd.	China	Financial lease	SK Auto Service Hong Kong Co., Ltd.	100.00%
SK China (Beijing) Co., Ltd.	China	Consulting	SK China Company, Ltd.	100.00%
SKY Property Management Ltd.	Virgin Islands	Investment	SK China Company, Ltd.	100.00%
SK China Real Estate Co., Ltd.	Hong Kong	Real estate investment	SKY Property Management Ltd.	100.00%
SKY Investment Co., Ltd.	China	Real estate management	SK China Company, Ltd.	100.00%
SKY (Zhuhai Hengqin) Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%
SK C&C Beijing Co., Ltd.	China	Consulting for computer	SK Inc.	100.00%
SK C&C Chengdu Co., Ltd.	China	Consulting for computer system integration and others	SK C&C Beijing Co., Ltd.	100.00%
SK C&C India Pvt. Ltd.	India	Consulting for computer system integration and others	SK Inc.	100.00%
SK C&C USA, Inc.	USA	Consulting for computer system integration and others	SK Inc.	100.00%
S&G Technology	Saudi Arabia	Consulting for computer system integration and others	SK Inc.	51.00%
Saturn Agriculture Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	81.00%
SK Investment Management Co., Ltd.	Hong Kong	Investment	SK Inc.	100.00%
SK Mobility Investments Company Limited	Hong Kong	Investment	SK Investment Management Co., Ltd.	100.00%
SK Semiconductor Investments Co., Ltd.	Hong Kong	Investment management	SK Investment Management Co., Ltd.	100.00%
Gemini Partners Pte. Ltd.	Singapore	Consulting	SK Inc., SK Innovation Co., Ltd. SK Telecom Co., Ltd., and SK E&S Co., Ltd.	80.00%
Solaris Partners Pte. Ltd.	Singapore	Consulting	Gemini Partners Pte. Ltd.	100.00%
Solaris GEIF Investment	USA	Investment	Solaris Partners Pte. Ltd.	100.00%
SK GI Management	Cayman	Investment	SK Inc.	100.00%
Plutus Capital NY, Inc.	USA	Investment	SK Inc.	100.00%
Hudson Energy NY, LLC	USA	Investment	Plutus Capital NY, Inc.	50.13%
Hudson Energy NY II, LLC (*2)	USA	Investment	Plutus Capital NY, Inc.	50.00%
Hudson Energy NY III, LLC	USA	Investment	Plutus Capital NY, Inc.	50.50%
Grove Energy Capital LLC	USA	Investment	Plutus Capital NY, Inc., Pnes Investments, LLC	100.00%
Plutus Capital NY II, Inc	USA	Investment	SK Inc.	100.00%
Grove Energy Capital II, LLC	USA	Investment	Plutus Capital NY II, Inc.	100.00%
Plutus Capital NY III, Inc.	USA	Investment	SK Inc.	100.00%
Grove Energy Capital III, LLC	USA	Investment	Plutus Capital NY III, Inc.	50.10%
Plutus Fashion NY, Inc.	USA	Fashion	SK Inc.	100.00%
Wonderland NY, LLC	USA	Investment	Plutus Fashion NY, Inc.	100.00%
Atlas NY LLC	USA	Investment	Plutus Fashion NY, Inc.	61.24%
SK South East Asia Investment Pte. Ltd.	Singapore	Investment	SK Inc., SK Innovation Co., Ltd., SK Telecom Co., Ltd. and SK E&S Co., Ltd.	80.00%
SK Investment Vina I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	50.01%
SK Investment Vina II Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	50.01%
SK Investment Vina III Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%
MSN Investment Pte. Ltd.	Singapore	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Imexpharm Corporation	Vietnam	Pharmaceutical manufacturing	SK Investment Vina III Pte. Ltd.	63.82%
Linh Nam Ventures JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Lien Khuong International JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Dong Kinh Capital JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Lac Son Investment JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
KBA Investment Joint Stock Company	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Cong Thang Alpha JSC (*2)	Vietnam	Investment	Lac Son Investment JSC	100.00%
Eastern Vision Investment JSC	Vietnam	Investment	SSI Asset Management Company Limited	34.90%
Truong Luu Chi Invest JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
An Nam Phu Investment JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Zion Son Kim JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%
Sunrise Kim Investment Joint Stock Company	Vietnam	Investment	Zion Son Kim JSC	100.00%
SK Investment Vina V Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%
SK Investment Vina VI Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%
SK Investment Vina IV Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%
SK Malaysia Investment I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%
Lotus Fund, L.P.	Cayman	Investment	SK South East Asia Investment Pte. Ltd.	95.00%
SK Pharmteco Inc.	USA	Investment	SK Inc.	100.00%
SK Biotek Co., Ltd.	Korea	Drug medicine	SK Pharmteco Inc.	100.00%
SK BIOTEK IRELAND LIMITED	Ireland	Pharmaceutical manufacturing	SK Pharmteco Inc.	100.00%
SK BIOTEK USA, Inc.	USA	Medicine and life science	SK Pharmteco Inc.	100.00%
Crest Acquisition LLC	USA	Investment	SK Pharmteco Inc.	100.00%
Yposkesi, SAS	France	Medicine manufacturing	Crest Acquisition LLC	70.07%
Abrasax Investment Inc.	USA	Investment	SK Pharmteco Inc.	100.00%
Fine Chemicals Holdings Corp.	USA	Investment	Abrasax Investment Inc.	100.00%
AMPAC Fine Chemicals, LLC	USA	Drug medicine	Fine Chemicals Holdings Corp.	100.00%
AMPAC Fine Chemicals Texas, LLC	USA	Drug medicine	AMPAC Fine Chemicals, LLC	100.00%
AMPAC Fine Chemicals Virginia, LLC	USA	Drug medicine	AMPAC Fine Chemicals, LLC	100.00%
Golden Pearl EV Solutions Limited	Hong Kong	Investment	SK Inc.	100.00%
Socar Mobility Malaysia, Sdn. Bhd.	Malaysia	Car sharing service	SK Inc.	83.51%
Future Mobility Solutions Sdn. Bhd.	Malaysia	Online brokerage services for car rental	Socar Mobility Malaysia, Sdn. Bhd.	100.00%
PT Future Mobility Solutions	Indonesia	Online brokerage services for car rental	Socar Mobility Malaysia, Sdn. Bhd.	100.00%
Einstein Cayman Limited	Cayman	Investment	SK Inc.	100.00%
I Cube Capital Inc.	USA	Investment	SK Inc.	100.00%
I Cube Capital Hong Kong 1. LP Limited	Hong Kong	Investment	I Cube Capital Inc.	100.00%
Tellus Investment Partners, Inc.	USA	Investment	SK Inc.	100.00%
Primero Protein LLC	USA	Investment	Tellus Investment Partners, Inc.	67.55%
Terra LLC	USA	Investment	Tellus Investment Partners, Inc.	100.00%
Terra Investment Partners II, LLC	USA	Investment	Tellus Investment Partners, Inc.	100.00%
Castanea Bioscience Inc.	USA	Investment	SK Inc.	100.00%

SK Inc. and its subsidiaries
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1.2 Consolidated subsidiaries (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)
SK Forest Co., Ltd.	Korea	Landscaping and planting business	SK Inc.	100.00%
Hweechan Co., Ltd.	Korea	Condo, resort operation	SK Inc.	100.00%
SK Pinx Co., Ltd.	Korea	Golf club operating	Hweechan Co., Ltd.	100.00%
SK REITs Co., Ltd. (*2)	Korea	Real estate developing and trading	SK Inc.	42.99%
Clean Energy REITs Co., Ltd.	Korea	Real estate developing and trading	SK REITs Co., Ltd.	100.00%
Total Value 1 REIT Co., Ltd.	Korea	Real estate developing and trading	SK REITs Co., Ltd.	100.00%
SK REITs Management Co., Ltd.	Korea	Real estate developing and trading	SK Inc.	100.00%
SK Japan Investment Inc.	Japan	Investment	SK Inc., SKC Co., Ltd., SK Materials Co., Ltd., and SK Siltron Co., Ltd.	100.00%
SK SIGNET Inc. (formerly, SIGNET EV Inc.) (*6)	Korea	Electric vehicle charger manufacturing and selling	SK Inc.	0.00%
SIGNET EV America Inc.	USA	Electric vehicle charger maintenance	SK SIGNET Inc.	100.00%
Auxo Capital Inc.	USA	Investment	SK Inc.	100.00%
SK Global Development Advisors LLC	USA	Investment	Auxo Capital Inc.	100.00%
Auxo Capital Managers LLC	USA	Investment	Auxo Capital Inc.	91.03%
Tellus (HONG KONG) Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	100.00%
Digital Center Capital Inc.	USA	Investment	SK Inc.	100.00%
Martis Capital, LLC	USA	Investment	Digital Center Capital Inc.	100.00%
Tillandsia, Inc.	USA	Investment	SK Inc.	100.00%
Energy Solution Group, Inc.	USA	Investment	SK Inc., SK Energy Co., Ltd.	100.00%
Atom Power, Inc.	USA	Electric Vehicle Charging Station Operation	Energy Solution Group, Inc.	63.70%
YES POWERTECHNIX	Korea	Semiconductor	SK Inc.	94.76%

- (*1) The equity ownership is based on ordinary shares and includes indirect investments held by the consolidated subsidiaries.
- (*2) SK Innovation Co., Ltd. and 15 other companies are included in the consolidated financial statements as the Group is able to exercise de facto control. The remaining voting rights of SK Innovation Co., Ltd. and 15 other companies are widely dispersed, so it is determined that the Group has voting rights to exercise de facto control.
- (*3) Although the Group's equity interests for common stock in 11 Street Co., Ltd. is 98.10%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 80.26%.
- (*4) Dreamus Company Co., Ltd. has a 51.44% stake in common shares, but the preferred shares with voting rights are issued, and the share with voting rights is 41.78%.
- (*5) The assets and liabilities of SK Networks Resources Australia (Wyong) Pty Ltd. and 12 other companies are classified as assets and liabilities held for sale (see Note 29 assets and liabilities held for sale).
- (*6) Although the Group's equity interests for common stock in SK Signet Inc. is 0%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 52.30%. In the third quarter of this year, the consolidated group's stake was changed from 52.63% to 52.30% due to the absorption merger in the consolidated group.

SK Inc. and its subsidiaries
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1.3 Changes in consolidated subsidiaries

Changes in the consolidated subsidiaries for the nine-month period ended September 30, 2022 are as follows:

December 31, 2021	Inclusion	Exclusion	September 30, 2022
454	131	10	575

For the nine-month period ended September 30, 2022, subsidiaries newly included in consolidation are as follows:

Subsidiaries	Reasons for changes	
BlueOval SK, LLC	Establishment (40 companies)	
SK Innovation America, Inc.		
Grove Energy Capital IV, LLC		
Freedom Circle Capital, Inc		
Montague ESG Capital, LLC		
SAPEON Korea Inc.		
Sapeon Inc.		
Onestore Global Pte. Ltd.		
SCODYS Pte. Ltd.		
NEX Investment Limited		
NEX UK Holdings Limited		
Mobility Solution I Inc.		
Mobility Solution II Inc.		
LAI CCS, LLC		
KCE CT 8, LLC		
KCE MI 4, LLC		
KCE ME 2, LLC		
KCE IL 3, LLC		
KCE IN 4, LLC		
KCE IN 5, LLC		
KCE IA 1, LLC		
KCE WI 1, LLC		
KCE Market Operations, LLC and 6 others		
BT FC LLC		
DongNam Offshore Windfarm Co. Ltd.		
GangDong Green Complex Co., Ltd.		
AP Development Co., Ltd.		
Eco Frontier (Singapore) Pte. Ltd		
SK Siltron CSS Korea Co., Ltd.		
Lotus Fund, L.P.		
Terra Investment Partners II, LLC		
Total Value 1 REIT Co., Ltd.		
Tillandsia, Inc.		
Energy Solution Group, Inc.		
Won Poll Co., Ltd.		Acquisition and others (91 companies)
Solution Co., Ltd.		
Seoul Airbus Co., Ltd.		
LOGISOFT.CO.LTD.		
SK pucore Co., Ltd.		
Beijing SK pucore Inc.		
SK pucore Europe sp. zo.o.		
SK pucore USA Inc.		
SK pucore Mexico, S. de R.L. de C.V.		
SK Pucore India Pvt. Ltd.		
SK pucore RUS LLC		
EverCharge, Inc.		
EverCharge Services, LLC		
Busaho haengboknanum solar Co., Ltd.		
NEW RENEWABLE ENERGY NO.1 Joint Stock Company		
JA Green Co., Ltd.		
DY Indus Co., Ltd.		
DY Polymer Co., Ltd.		
Tes-Envirocorp Pte. Ltd. and 52 others		
SamKang M&T Co., Ltd.		
Goseong Holdings Ltd.		
SAM KANG S&C Co., Ltd.		
Imexpharm Corporation and 14 others		

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1.3 Changes in consolidated subsidiaries (cont'd)

Subsidiaries	Reasons for changes
Atom Power, Inc. YES POWERTECHNIX	

For the nine-month period ended September 30, 2022, subsidiaries excluded from consolidation are as follows:

Subsidiaries	Reasons for changes
Open Garden Co., Ltd.	Consolidated entities
SIGNET ENERGY INC.	(2 companies)
SK NETWORKS BRASIL INTERMEDIACAO DE NEGOCIOS LTDA	Liquidation
New&Company Two Pte. Ltd.	(5 companies)
KCE NY 25, LLC	
KCE TX 17, LLC	
SK Bio Energy HongKong Co., Limited	
SK Eco Engineering Co., Ltd.	Change to Equity Method
SK Growth Opportunities Corporation	(2 companies)
TES-AMM (Vietnam) Co., Ltd	Disposal
	(1 company)

1.4 Condensed financial information of significant consolidated subsidiaries

Details of condensed financial information of the significant subsidiaries as of and for the nine-month period ended September 30, 2022 are as follows (Korean won in millions):

Subsidiaries	Total assets	Total liabilities	Sales	Net income (loss)
SK Innovation Co., Ltd.	₩ 18,957,048	₩ 3,033,931	₩ 1,597,957	₩ 403,027
SK Energy Co., Ltd.	19,752,701	14,011,941	38,540,032	1,813,146
SK Geo Centric Co., Ltd.	6,785,382	3,654,449	8,921,781	90,125
SK Incheon Petrochem Co., Ltd.	6,142,930	4,369,761	7,365,562	143,318
SK Trading International Co., Ltd.	2,478,053	1,582,503	16,139,977	275,769
SK Energy International Pte. Ltd.	3,507,464	2,651,646	29,424,837	109,740
SK Energy Europe, Ltd.	106,528	4,849	4,456,022	336
SK Energy America, Inc.	1,370,343	1,270,511	6,350,841	(1,133)
SK Lubricants Co., Ltd.	3,329,591	1,981,502	4,074,243	567,647
SK ie technology Co., Ltd.	2,566,196	431,692	208,195	(29,646)
SK On Co., Ltd.	10,141,104	6,505,006	3,919,542	(344,160)
SK On(Jiangsu) Co., Ltd.	2,214,625	1,158,754	1,357,243	429
SK Battery America, Inc.	5,277,757	4,175,027	546,055	(191,406)
SK Telecom Co., Ltd.	25,589,298	15,073,528	9,318,263	781,623
SK Broadband Co., Ltd.	6,081,822	3,040,828	3,107,913	155,588
SK Square Co., Ltd.	7,349,683	116,888	364,867	311,147
SK Shieldus Co., Ltd. (*1)	3,274,293	2,871,154	1,290,463	28,469
SK Networks Co., Ltd.	5,208,521	3,176,644	4,897,797	12,108
SK Rent-a-Car Co., Ltd.	3,211,966	2,694,287	946,756	29,673
SKC Co., Ltd.	3,915,818	1,789,789	106,644	208,913
SK E&S Co., Ltd.	9,776,235	4,474,481	926,775	519,428
Paju Energy Service Co., Ltd.	1,895,605	1,052,340	1,335,931	239,578
SK E&S Americas, Inc.	3,653,665	3,475	-	(9,132)
Passkey, Inc.	2,560,141	70,420	-	(36,222)
Prism Energy International Pte. Ltd.	2,407,076	1,418,700	2,393,304	324,687
SK Ecoplant Co., Ltd.	9,058,706	6,595,013	4,245,044	365,328
SK Siltron Co., Ltd. (*1)	4,449,972	2,761,018	1,782,526	288,310
SK China Company, Ltd.	3,237,772	46,413	-	6,912
Plutus Capital NY, Inc.	2,276,036	883,259	1,592	21,371
SK South East Asia Investment Pte. Ltd.	3,639,235	521,873	42,259	432

(*1) The condensed financial information is consolidated financial information.

SK Inc. and its subsidiaries
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1.5 Disclosure of significant non-controlling interests in subsidiaries

Information about significant non-controlling interests in subsidiaries as of and for the nine-month period ended September 30, 2022 is as follows (Korean won in millions):

	September 30, 2022						
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.
Percentage of the non-controlling ownership	63.23%	69.88%	69.97%	55.59%	57.10%	10.00%	57.10%
Current assets	₩ 33,292,144	₩ 7,318,651	₩ 2,872,892	₩ 2,912,647	₩ 4,165,105	₩ 4,818,232	₩ 5,883,874
Non-current assets	34,498,930	23,211,124	20,836,002	6,630,834	3,586,333	14,114,680	7,297,306
Current liabilities	28,940,055	7,428,963	2,005,436	3,661,526	2,766,608	3,755,829	5,816,336
Non-current liabilities	14,855,848	10,803,706	3,324,113	3,406,543	2,303,266	7,178,247	3,739,047
Net assets	23,995,171	12,297,106	18,379,345	2,475,412	2,681,564	7,998,836	3,625,797
Book value of the non-controlling interests	16,059,106	7,531,185	12,999,402	1,442,450	1,712,166	4,390,474	2,821,224
Sales	58,920,178	12,910,512	4,093,705	7,120,900	2,375,215	8,134,505	4,894,196
Net income	2,376,936	724,098	1,166,746	63,514	199,896	1,169,276	711,097
Total comprehensive income	3,989,398	605,117	1,082,583	110,231	317,374	1,968,517	998,511
Net income of the non-controlling interests	1,603,878	498,777	838,385	35,954	139,997	405,458	394,949
Total comprehensive income of the non-controlling interests	2,473,490	245,384	709,412	61,372	213,712	511,531	575,134
Net cash flows from operating activities	311,598	3,789,509	273,597	74,228	(101,655)	1,872,521	(434,363)
Net cash flows from investing activities	(3,567,794)	(2,360,149)	(337,311)	(792,219)	(84,290)	(1,722,714)	(1,812,456)
Net cash flows from financing activities before dividends paid to the non-controlling interests	6,140,177	(613,937)	78,138	(370,949)	659,355	573,717	2,744,443
Dividends paid to the non-controlling interests	(210,830)	(516,339)	(8,203)	(14,583)	(96,035)	(177,174)	(11,608)
Net increase (decrease) in cash and cash equivalents	2,673,151	299,084	6,221	(1,103,523)	377,375	546,350	486,016

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

2. Basis of preparation and summary of significant accounting policies

2.1 Basis of preparation

The Group prepares statutory interim financial statements in Korean in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("KIFRS") *Interim Financial Reporting* enacted by the Act on External Audit of Stock Companies. The accompanying interim consolidated financial statements have been translated into English from Korean financial statements. In the event of any differences in interpreting the financial statements or the independent auditor's review report thereon, Korean version, which is used for regulatory reporting purposes, shall prevail.

The interim condensed consolidated 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, 2021.

The accompanying interim condensed consolidated 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 interim condensed consolidated financial statements and has been made at the rate of ₩1,434.80 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 nine-month period ended September 30, 2022. 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.

2.2 Significant accounting policies

The significant accounting policies used for the preparation of the accompanying the interim condensed consolidated financial statements as of and for the nine-month period ended September 30, 2022, are the same as the accounting policies adopted for the preparation of consolidated financial statements as of and for the year ended December 31, 2021, except for adoption of new and revised KIFRS applied in the current period, which are summarized below.

2.2.1 New and amended standards and interpretations

The Group has applied amendments to KIFRS issued that are mandatorily effective for accounting periods beginning on or after January 1, 2022.

Amendments to KIFRS 1016 *Property, Plant and Equipment*

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendment must be applied retrospectively to items of property plant, and equipment that are brought to the location and condition necessary for it to be capable of operating in the manner intended by management after the beginning of the earliest period presented.

The Group restated the comparative consolidated financial statements by retroactively applying the amendments to property, plant, and equipment that are brought to the location and condition necessary for it to be capable of operating in the manner intended by management after the beginning of the earliest period presented. As a result, property, plant and equipment decreased by ₩12,498 million as of December 31, 2021, and net income decreased by ₩8,980 million for the nine months ended September 30, 2021.

2.2 Significant accounting policies (cont'd)

Amendments to KIFRS 1037 - Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that the costs related directly to a contract to provide goods or services shall include both incremental costs and an allocation of costs directly related to contract activities when assessing whether a contract is onerous or loss-making. The Group applies the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application) and has not restated its comparative information. The amendments do not have any significant impact on the Group's financial position or management performance.

Amendments to KIFRS 1103 - Business combinations

The amendments update KIFRS 1103 so that the definition of assets and liabilities to be recognized in a business combination is referred to the 2018 Conceptual Framework and add an exception that, for transactions and other events within the scope of KIFRS 1037, 'Provisions, Contingent Liabilities and Contingent Assets' or KIFRS 2121, 'Levies', an acquirer applies KIFRS 1037 or KIFRS 2121 and clarify that contingent assets are not recognized on the acquisition date. These amendments had no material impact on the Group's financial position or management performance.

Amendments to KIFRS 1116 Leases

The application of the practical expedient, which provides relief to lessees from applying KIFRS 1116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic, has been extended to lease reduction affecting the lease payments before June 30, 2022. Such rent concessions should satisfy the requirements to apply the practical expedient, and a lessee should consistently apply the practical expedients to similar contracts with similar characteristics. These amendments had no material impact on the Group's financial position or management performance.

Annual Improvements to KIFRS 2018-2020

The annual improvements include some amendments to KIFRS 1101 'First-time Adoption of KIFRS', KIFRS 1109 'Financial Instruments', KIFRS 1116 'Leases' and KIFRS 1041 'Agriculture'. The amendments to KIFRS 1116 are relevant only to the illustrative examples, and thus the effective date for the amendment was not specified. These amendments had no material impact on the Group's financial position or management performance.

2.2. Significant accounting policies (cont'd)

2.2.2 Standards issued but not yet effective

Amendments to KIFRS 1001 *Presentation of Financial Statements*

The amendments affect only the presentation of liabilities in the statement of financial position and clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The amendments explain that the right exists if the borrowing arrangement is complied with at the end of the reporting period and clarify that settlement refers to the transfer of cash, equity instruments, other assets or services to the counterparty. The Group plans to apply the standard for annual reporting period beginning on or after January 1, 2023, with early application permitted.

Amendments to KIFRS 1001 *Presentation of Financial Statements*

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to KIFRS 1001 are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted.

Amendments to KIFRS 1008 *Accounting Policies, Changes in Accounting Estimates and Errors*

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

Amendments to KIFRS 1012 *Income Taxes*

The amendments require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Paragraphs 15 and 24 of KIFRS 1012 were amended to include an additional condition where the initial recognition exemption is not applied. According to the amended guidance, a temporary difference that arises on initial recognition of an asset or liability is not subject to the initial recognition exemption if that transaction gave rise to equal amounts of taxable and deductible temporary differences. The amendments to KIFRS 1001 are applicable for annual periods beginning on or after January 1, 2023 with earlier application permitted.

The Group is reviewing the possible effects of the above listed amendments on the consolidated financial statements.

3. Significant accounting judgements, estimates and assumptions

When preparing the interim condensed consolidated 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 interim condensed consolidated financial statements for the nine-month period ended September 30, 2022, are consistent with those followed in the preparation of consolidated financial statements for the year ended December 31, 2021.

In order to prevent the spread of COVID-19, various prevention and control measures including restrictions on movement are being implemented worldwide, and as a result, the global economy is widely affected. The Group invests in companies operating in various industries, including petroleum refining, telecommunications, wholesale and retail, chemicals, construction and others, and is exposed to market uncertainties due to the influence of COVID-19. This can negatively affect productivity, sales decline or delay, collection of existing receivables, discount rates and indicators used for various estimates, which can negatively affect the Group's financial position and financial performance. The Group prepared financial statements by reasonably estimating the impact of COVID-19 on the Group. However, there is significant uncertainty in estimating the impact of COVID-19 on the Group.

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4. Operating segments

(1) Overview of operating segments

The Group makes decisions on resources to be allocated to business segments and divides the business 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 as of September 30, 2022, are as follows:

Operating segments	Business
SK Innovation Co., Ltd.	Petroleum refining, chemical, lubricating oil, battery and resources development
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, industrial materials and mobility materials
SK E&S Co., Ltd.	Gas and energy
SK Ecoplant Co., Ltd.	Civil engineering, housing, plant and others
Others	IT services, special gas manufacturing and sale, medicine and life science and others

(2) Details of financial information for each operating segment as of and for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in billions):

As of and for the nine-month period ended September 30, 2022										
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*1)	Total
Total sales	₩ 58,920	₩ 12,911	₩ 4,094	₩ 7,121	₩ 2,375	₩ 8,135	₩ 4,894	₩ 7,458	₩ (5,890)	₩ 100,018
Internal sales	(551)	(156)	(1,755)	(807)	(304)	(245)	(40)	(2,032)	5,890	-
Net sales	58,369	12,755	2,339	6,314	2,071	7,890	4,854	5,426	-	100,018
Profit (loss) from continuing operations before income tax expense	3,690	1,092	1,209	84	197	1,467	182	1,215	(927)	8,209
Profit (loss) for the year from continuing operations	2,377	724	1,167	57	162	1,169	109	984	(1,245)	5,504
Total assets	67,791	30,530	23,709	9,543	7,751	18,933	13,181	61,321	(33,523)	199,236
Total liabilities	43,796	18,233	5,330	7,068	5,070	10,934	9,555	22,775	(928)	121,833
Depreciation	1,192	2,173	208	619	173	334	76	346	110	5,231
Amortization	125	647	71	21	34	14	45	330	9	1,296

As of and for the nine-month period ended September 30, 2021										
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK E&S Co., Ltd.	SK ecoplant Co., Ltd.	Others	Consolidation adjustments (*1)	Total	
Total sales	₩ 33,132	₩ 14,566	₩ 8,111	₩ 1,620	₩ 5,279	₩ 4,590	₩ 6,267	₩ (3,846)	₩ 69,719	
Internal sales	(364)	(297)	(888)	(239)	(204)	(182)	(1,672)	3,846	-	
Net sales	32,768	14,269	7,223	1,381	5,075	4,408	4,595	-	69,719	
Profit (loss) from continuing operations before income tax expense	928	2,638	100	358	482	199	3,911	(3,852)	4,764	
Profit (loss) for the period from continuing operations	341	2,104	71	245	344	70	3,480	(3,847)	2,808	
Total assets	48,951	51,677	9,598	5,873	12,730	7,695	53,397	(30,869)	159,052	
Total liabilities	29,638	24,494	7,228	3,653	8,540	6,430	18,432	(900)	97,515	
Depreciation	1,033	2,357	613	133	351	53	448	(35)	4,953	
Amortization	72	765	18	23	5	32	82	247	1,244	

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4. Operating segments (cont'd)

(3) Details of financial information by geographical location as of and for the nine-month periods ended September 30, 2022 and 2021 (Korean won in billions):

	As of and for the nine-month period ended September 30, 2022						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales	₩ 126,416	₩ 37,875	₩ 8,176	₩ 10,170	₩ 397	₩ (83,016)	₩ 100,018
Operating profit (loss)	9,513	772	(121)	(56)	312	(1,924)	8,496
Profit (loss) from continuing operations before income tax expense	9,173	707	(203)	(228)	331	(1,571)	8,209
Profit (loss) for the period	6,675	580	(218)	(255)	258	(1,536)	5,504
Total assets	208,828	25,524	10,156	33,444	2,560	(81,276)	199,236
Total liabilities	107,395	9,989	4,882	9,664	629	(10,726)	121,833

	As of and for the nine-month period ended September 30, 2021						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales	₩ 81,580	₩ 21,308	₩ 4,020	₩ 5,033	₩ 209	₩ (42,431)	₩ 69,719
Operating profit (loss)	5,951	231	88	69	22	(2,006)	4,355
Profit (loss) from continuing operations before income tax expense	8,502	1,149	74	(68)	936	(5,829)	4,764
Profit (loss) for the period	6,443	1,116	47	(49)	886	(5,635)	2,808
Total assets	175,349	17,666	5,531	18,674	1,394	(59,562)	159,052
Total liabilities	89,102	5,672	2,734	5,769	466	(6,228)	97,515

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4. Operating segments (cont'd)

(4) Details of financial information by revenue from contracts with customers for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in billions):

For the nine-month period ended September 30, 2022										
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments	Total
1. Total sales	₩ 58,920	₩ 12,911	₩ 4,094	₩ 7,121	₩ 2,375	₩ 8,135	₩ 4,894	₩ 7,458	₩ (5,890)	₩ 100,018
2. Revenue from contracts with customers	58,897	12,911	2,906	5,694	2,375	8,129	4,864	6,640	(3,931)	98,485
Categories:										
Service sales	246	11,857	2,153	310	-	-	4,576	2,077	(1,702)	19,517
Finished goods sales	55,490	-	27	263	2,075	3,623	70	3,772	(1,080)	64,240
Merchandise sales	1,566	721	533	5,117	288	4,408	39	738	(1,075)	12,335
Other sales	1,595	333	193	4	12	98	179	53	(74)	2,393
	<u>58,897</u>	<u>12,911</u>	<u>2,906</u>	<u>5,694</u>	<u>2,375</u>	<u>8,129</u>	<u>4,864</u>	<u>6,640</u>	<u>(3,931)</u>	<u>98,485</u>
Timing of revenue recognition:										
Recognition at a point in time	58,651	1,054	753	5,384	2,375	1,190	288	4,563	(2,229)	72,029
Recognition over a period of time	246	11,857	2,153	310	-	6,939	4,576	2,077	(1,702)	26,456
	<u>58,897</u>	<u>12,911</u>	<u>2,906</u>	<u>5,694</u>	<u>2,375</u>	<u>8,129</u>	<u>4,864</u>	<u>6,640</u>	<u>(3,931)</u>	<u>98,485</u>
3. Revenue from other sources	23	-	1,188	1,427	-	6	30	818	(1,959)	1,533

For the nine-month period ended September 30, 2021										
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK E&S Co., Ltd.	SK ecoplant Co., Ltd.	Others	Consolidation adjustments	Total	
1. Total sales	₩ 33,132	₩ 14,566	₩ 8,111	₩ 1,620	₩ 5,279	₩ 4,590	₩ 6,267	₩ (3,846)	₩ 69,719	
2. Revenue from contracts with customers	33,108	14,566	6,700	1,620	5,274	4,577	5,664	(3,275)	68,234	
Categories:										
Service sales	204	12,951	256	-	-	4,554	1,898	(1,393)	18,470	
Finished goods sales	31,272	24	346	1,445	2,118	-	2,957	(819)	37,343	
Merchandise sales	934	1,167	6,096	154	3,092	14	777	(1,051)	11,183	
Other sales	698	424	2	21	64	9	32	(12)	1,238	
	<u>33,108</u>	<u>14,566</u>	<u>6,700</u>	<u>1,620</u>	<u>5,274</u>	<u>4,577</u>	<u>5,664</u>	<u>(3,275)</u>	<u>68,234</u>	
Timing of revenue recognition:										
Recognition at a point in time	32,904	1,615	6,444	1,620	734	23	3,766	(1,882)	45,224	
Recognition over a period of time	204	12,951	256	-	4,540	4,554	1,898	(1,393)	23,010	
	<u>33,108</u>	<u>14,566</u>	<u>6,700</u>	<u>1,620</u>	<u>5,274</u>	<u>4,577</u>	<u>5,664</u>	<u>(3,275)</u>	<u>68,234</u>	
3. Revenue from other sources	24	-	1,411	-	5	13	603	(571)	1,485	

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5. Financial instruments

5.1 Financial assets

Details of financial assets as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022				Total
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	
Current assets:					
Cash and cash equivalents	₩ 3,395,948	₩ -	₩ 13,287,756	₩ -	₩ 16,683,704
Short-term financial instruments	4,044,900	-	1,720,861	-	5,765,761
Trade receivables (*1)	83,153	-	13,085,938	-	13,169,091
Other receivables	172,738	-	3,480,536	-	3,653,274
Short-term loans	-	-	116,729	-	116,729
Accrued income	-	-	128,057	-	128,057
Short-term investment securities	1,158,468	-	45	-	1,158,513
Guarantee deposits	-	-	543,331	-	543,331
Derivative financial assets	336,337	-	-	405,029	741,366
Lease receivables	-	-	19,053	-	19,053
	<u>9,191,544</u>	<u>-</u>	<u>32,382,306</u>	<u>405,029</u>	<u>41,978,879</u>
Non-current assets:					
Long-term financial instruments	124,788	-	16,092	-	140,880
Long-term trade receivables	-	-	503,923	-	503,923
Long-term other receivables	201,261	-	25,588	-	226,849
Long-term loans	-	-	422,561	-	422,561
Long-term investment securities	2,345,054	7,385,751	1,030	-	9,731,835
Guarantee deposits	-	-	710,671	-	710,671
Derivative financial assets	496,484	-	-	1,104,385	1,600,869
Lease receivables	-	-	48,916	-	48,916
	<u>3,167,587</u>	<u>7,385,751</u>	<u>1,728,781</u>	<u>1,104,385</u>	<u>13,386,504</u>
	<u>₩ 12,359,131</u>	<u>₩ 7,385,751</u>	<u>₩ 34,111,087</u>	<u>₩ 1,509,414</u>	<u>₩ 55,365,383</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,292,632 million as of September 30, 2022 are not included in the financial assets.

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5.1 Financial assets (cont'd)

	December 31, 2021				Total
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	
Current assets					
Cash and cash equivalents	₩ 2,800,214	₩ -	₩ 9,517,341	₩ -	₩ 12,317,555
Short-term financial instruments	5,240,060	-	884,690	-	6,124,750
Trade receivables (*1)	52,088	-	10,598,250	-	10,650,338
Other receivables	203,029	-	2,216,530	-	2,419,559
Short-term loans	-	-	94,031	-	94,031
Accrued income	-	-	114,924	-	114,924
Short-term investment securities	353,310	-	45	-	353,355
Guarantee deposits	-	-	276,658	-	276,658
Derivative financial assets	92,402	-	-	39,229	131,631
Lease receivables	-	-	19,016	-	19,016
	<u>8,741,103</u>	<u>-</u>	<u>23,721,485</u>	<u>39,229</u>	<u>32,501,817</u>
Non-current assets					
Long-term financial instruments	18,078	-	30,014	-	48,092
Long-term trade receivables	-	-	391,739	-	391,739
Long-term other receivables	256,930	-	61,954	-	318,884
Long-term loans	-	-	411,711	-	411,711
Long-term investment securities	1,972,522	7,572,640	1,023	-	9,546,185
Guarantee deposits	-	-	711,104	-	711,104
Derivative financial assets	516,067	-	-	224,550	740,617
Lease receivables	-	-	36,175	-	36,175
	<u>2,763,597</u>	<u>7,572,640</u>	<u>1,643,720</u>	<u>224,550</u>	<u>12,204,507</u>
	<u>₩ 11,504,700</u>	<u>₩ 7,572,640</u>	<u>₩ 25,365,205</u>	<u>₩ 263,779</u>	<u>₩ 44,706,324</u>

(*1) Contract assets (unbilled receivables) amounting to ₩737,104 million as of December 31, 2021 are not included in the financial assets.

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5.2 Financial liabilities

Details of financial liabilities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022			Total
	Financial liabilities measured at FVTPL	Other financial liabilities	Financial liabilities designated as hedging instruments	
Current liabilities:				
Short-term borrowings	₩ -	₩ 17,015,600	₩ -	₩ 17,015,600
Trade payables	-	14,173,488	-	14,173,488
Other payables	8,966	7,352,461	-	7,361,427
Current portion of long-term debt	-	12,066,598	-	12,066,598
Accrued expenses	-	4,649,250	-	4,649,250
Dividends payable	-	928	-	928
Leasehold deposits received	-	246,407	-	246,407
Derivative financial liabilities	193,344	-	51,349	244,693
Lease liabilities	-	1,271,320	-	1,271,320
Finance guarantee liabilities	-	1,328	-	1,328
Financial liabilities at fair value through profit or loss	110,247	-	-	110,247
	<u>312,557</u>	<u>56,777,380</u>	<u>51,349</u>	<u>57,141,286</u>
Non-current liabilities:				
Bonds payable and long-term borrowings	-	43,716,522	-	43,716,522
Long-term other payables	550	1,489,751	-	1,490,301
Long-term accrued expenses	-	26,595	-	26,595
Leasehold deposits received	-	378,376	-	378,376
Derivative financial liabilities	667,451	-	2,174	669,625
Lease liabilities	-	4,242,197	-	4,242,197
Financial guarantee liabilities	-	22,958	-	22,958
Financial liabilities at fair value through profit or loss	59,520	-	-	59,520
	<u>727,521</u>	<u>49,876,399</u>	<u>2,174</u>	<u>50,606,094</u>
	<u>₩ 1,040,078</u>	<u>₩ 106,653,779</u>	<u>₩ 53,523</u>	<u>₩ 107,747,380</u>

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5.2 Financial liabilities (cont'd)

	December 31, 2021			
	Financial liabilities measured at FVTPL	Other financial liabilities	Financial liabilities designated as hedging instruments	Total
Current liabilities:				
Short-term borrowings	₩ -	₩ 7,657,381	₩ -	₩ 7,657,381
Trade payables	-	9,519,544	-	9,519,544
Other payables	34,133	7,015,739	-	7,049,872
Current portion of long-term debt	-	7,828,071	-	7,828,071
Accrued expenses	-	4,845,940	-	4,845,940
Dividends payable	-	887	-	887
Leasehold deposits received	-	198,776	-	198,776
Derivative financial liabilities	270,712	-	50,858	321,570
Lease liabilities	-	1,250,891	-	1,250,891
Finance guarantee liabilities	-	642	-	642
Financial liabilities at fair value through profit or loss	160,528	-	-	160,528
	<u>465,373</u>	<u>38,317,871</u>	<u>50,858</u>	<u>38,834,102</u>
Non-current liabilities:				
Bonds payable and long-term borrowings	-	42,620,141	-	42,620,141
Long-term other payables	-	1,854,343	-	1,854,343
Long-term accrued expenses	-	34,035	-	34,035
Leasehold deposits received	-	298,478	-	298,478
Derivative financial liabilities	437,512	-	1,723	439,235
Lease liabilities	-	3,803,999	-	3,803,999
Financial guarantee liabilities	-	16,910	-	16,910
Financial liabilities at fair value through profit or loss	59,123	-	-	59,123
	<u>496,635</u>	<u>48,627,906</u>	<u>1,723</u>	<u>49,126,264</u>
	<u>₩ 962,008</u>	<u>₩ 86,945,777</u>	<u>₩ 52,581</u>	<u>₩ 87,960,366</u>

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5.3 Fair values of financial instruments by hierarchy level

1) Fair values and book values of financial instruments as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022		December 31, 2021	
	Book value	Fair value	Book value	Fair value
Bonds payable	₩ 36,633,563	₩ 35,690,520	₩ 34,856,002	₩ 34,967,026
Borrowings	36,165,158	35,891,234	23,249,591	23,196,353

The fair value of bonds payable and borrowings was measured as the present value of the contractually determined stream of future cash flows discounted at the market interest rate (3.37% ~ 6.29%) regarding residual market risks. As the book values of other financial assets and other financial liabilities are reasonable approximations to fair values, the fair values have not been disclosed.

2) The Group categorized financial instruments measured at fair value based on the inputs to measure the fair value. The level of hierarchy of fair value is as follows:

- 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: inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs are unobservable inputs for the asset or liability.

3) Details of fair values of financial instruments by hierarchy level as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL	₩ 528,881	₩ 7,939,635	₩ 3,057,794	₩ 11,526,310
Financial assets measured at FVOCI	3,948,610	-	3,437,141	7,385,751
Derivative financial assets	13,576	1,821,743	506,916	2,342,235
	<u>₩ 4,491,067</u>	<u>₩ 9,761,378</u>	<u>₩ 7,001,851</u>	<u>₩ 21,254,296</u>
Financial liabilities:				
Financial liabilities measured at FVTPL	₩ -	₩ -	₩ 179,283	₩ 179,283
Derivative financial liabilities	14,554	226,273	673,491	914,318
	<u>₩ 14,554</u>	<u>₩ 226,273</u>	<u>₩ 852,774</u>	<u>₩ 1,093,601</u>
	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets measured at FVTPL	₩ 462,531	₩ 8,518,311	₩ 1,915,389	₩ 10,896,231
Financial assets measured at FVOCI	5,260,168	-	2,312,472	7,572,640
Derivative financial assets	7,219	417,876	447,153	872,248
	<u>₩ 5,729,918</u>	<u>₩ 8,936,187</u>	<u>₩ 4,675,014</u>	<u>₩ 19,341,119</u>
Financial liabilities:				
Financial liabilities measured at FVTPL	₩ -	₩ -	₩ 253,784	₩ 253,784
Derivative financial liabilities	600	96,891	663,314	760,805
	<u>₩ 600</u>	<u>₩ 96,891</u>	<u>₩ 917,098</u>	<u>₩ 1,014,589</u>

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6. Trade receivables

(1) Details of trade receivables as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>		<u>December 31, 2021</u>	
	<u>Current</u>	<u>Non-current</u>	<u>Current</u>	<u>Non-current</u>
Trade receivables:				
Trade receivables (*1)	₩ 13,680,187	₩ 528,712	₩ 11,182,015	₩ 407,641
Contract assets (unbilled receivables)	1,292,632	-	737,104	-
Allowance for doubtful accounts:				
Trade receivables	(511,096)	(24,789)	(531,677)	(15,902)
	<u>₩ 14,461,723</u>	<u>₩ 503,923</u>	<u>₩ 11,387,442</u>	<u>₩ 391,739</u>

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

(2) Contract assets and liabilities related with contracts with customers as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Contract assets: (*1)		
Construction business	₩ 1,009,695	₩ 572,283
Telecommunication business	129,622	118,278
Others	358,508	200,349
	<u>₩ 1,497,825</u>	<u>₩ 890,910</u>
Contract liabilities: (*2)		
Construction business	₩ 1,191,240	₩ 973,020
Telecommunication business	230,542	202,967
Others	980,854	890,405
	<u>₩ 2,402,636</u>	<u>₩ 2,066,392</u>

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

(*2) Contract liabilities are included in advances received and other liabilities.

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6. Trade receivables (cont'd)

(3) Details of construction profit variation by changes of accounting estimates related to construction contracts as of September 30, 2022 are as follows (Korean won in millions):

	September 30, 2022				
	Change in estimated construction revenue	Change in estimated cost	Impact on current period profit (loss)	Impact on future period profit (loss)	Change in unbilled (overbilled) receivables
SK ecoplant Co., Ltd. and its subsidiaries	₩ 2,034,169	₩ 1,820,486	₩ 50,675	₩ 163,008	₩ 50,675
Others	16,664	22,160	(5,087)	(409)	(5,087)
	<u>₩ 2,050,833</u>	<u>₩ 1,842,646</u>	<u>₩ 45,588</u>	<u>₩ 162,599</u>	<u>₩ 45,588</u>

Impact on profit 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 September 30, 2022 are as follows (Korean won in millions):

Subsidiary	Project	Contract date	Completion date	Percentage (%)	Unbilled receivables		Trade receivables (*1)	
					Amount	Allowance for doubtful accounts	Amount	Allowance for doubtful accounts
SK ecoplant Co., Ltd.	RRE Project	2009.12	2016.05	99.99%	₩ -	₩ -	₩ -	₩ -
	Goseong High Fire power Construction	2014.07	2022.01	98.71%	53,558	-	-	-

(*1) The balance does not include due from customer for construction work.

7. Inventories

Details of inventories as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022			December 31, 2021		
	Cost	Valuation allowance	Book value	Cost	Valuation allowance	Book value
Merchandise	₩ 1,453,654	₩ (30,694)	₩ 1,422,960	₩ 1,031,635	₩ (36,524)	₩ 995,111
Finished goods	4,883,890	(215,606)	4,668,284	2,997,935	(151,075)	2,846,860
Semi-finished goods and work in progress	2,189,893	(184,365)	2,005,528	1,388,745	(118,721)	1,270,024
Raw materials and sub-materials	3,997,140	(101,828)	3,895,312	2,327,476	(89,613)	2,237,863
Materials in transit	4,581,428	-	4,581,428	2,765,034	-	2,765,034
Supplies	669,049	(4,547)	664,502	538,897	(4,033)	534,864
Uncompleted contracts	18,668	-	18,668	17,415	-	17,415
Others	4,628	-	4,628	13,533	-	13,533
	<u>₩ 17,798,350</u>	<u>₩ (537,040)</u>	<u>₩ 17,261,310</u>	<u>₩ 11,080,670</u>	<u>₩ (399,966)</u>	<u>₩ 10,680,704</u>

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8. Investment securities

Details of investment securities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022			
	Financial assets at FVTPL	Financial assets at FVOCI (*1)	Financial assets at amortized cost	Total
Equity instruments:				
Marketable equity instruments	₩ 528,881	₩ 3,948,610	₩ -	₩ 4,477,491
Non-marketable equity instruments	81,922	3,435,053	-	3,516,975
	<u>610,803</u>	<u>7,383,663</u>	-	<u>7,994,466</u>
Bond instruments:				
Beneficiary securities and others	1,999,921	662	-	2,000,583
Debt securities	892,798	1,426	1,075	895,299
	<u>2,892,719</u>	<u>2,088</u>	<u>1,075</u>	<u>2,895,882</u>
	<u>₩ 3,503,522</u>	<u>₩ 7,385,751</u>	<u>₩ 1,075</u>	<u>₩ 10,890,348</u>
Current investment securities	₩ 1,158,468	₩ -	₩ 45	₩ 1,158,513
Non-current investment securities	2,345,054	7,385,751	1,030	9,731,835
	December 31, 2021			
	Financial assets measured at FVTPL	Financial assets measured at FVOCI (*1)	Financial assets measured at amortized cost	Total
Equity instruments:				
Marketable equity instruments	₩ 462,531	₩ 5,260,168	₩ -	₩ 5,722,699
Non-marketable equity instruments	170,478	2,304,673	-	2,475,151
	<u>633,009</u>	<u>7,564,841</u>	-	<u>8,197,850</u>
Bond instruments:				
Beneficiary securities and others	716,254	663	-	716,917
Debt securities	976,569	7,136	1,068	984,773
	<u>1,692,823</u>	<u>7,799</u>	<u>1,068</u>	<u>1,701,690</u>
	<u>₩ 2,325,832</u>	<u>₩ 7,572,640</u>	<u>₩ 1,068</u>	<u>₩ 9,899,540</u>
Current investment securities	₩ 353,310	₩ -	₩ 45	₩ 353,355
Non-current investment securities	1,972,522	7,572,640	1,023	9,546,185

(*1) The Group has applied the irrevocable option to designate the equity instruments held for strategic investment, not for held-for-trading purpose, at the date of initial application, as items measured at FVOCI.

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9. Investments in associates and joint ventures

(1) Investments in associates and joint ventures

Details of investments in associates and joint ventures as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

Company	Domicile	September 30, 2022			December 31,
		Equity ownership (*1)	Acquisition cost	Book value	2021 Book value
Associates:					
SK Hynix Inc.	Korea	20.1%	₩ 5,420,310	₩ 15,124,086	₩ 13,746,931
Vingroup Joint Stock Company (*2)	Vietnam	6.1%	957,882	1,175,116	984,778
Eureka Midstream Holdings	USA	40.0%	465,582	626,848	523,829
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	15.8%	465,019	544,561	454,794
Masan Group Corporation (*2)	Vietnam	9.3%	457,718	471,542	419,935
SK Eco Engineering Co., Ltd.(*3)	Korea	50.0%	487,863	524,257	-
Darwin LNG Pty Ltd.	Australia	25.0%	419,675	518,951	438,090
Center For Breakthrough Medicines Holdings, LLC	USA	40.0%	409,059	464,328	237,277
Shenzhen Londian Wason Holdings Group. Co., Ltd.	China	29.5%	383,369	507,373	443,661
The CrownX Corporation (*2)	Vietnam	4.9%	348,648	443,271	361,163
FR BR Aggregator	USA	39.0%	350,718	365,345	301,159
Huizhou EVE United Energy Co., Ltd.	China	49.0%	344,465	468,796	430,164
Peru LNG Company, LLC	USA	20.0%	331,144	323,339	258,037
Daehan Oil Pipeline Corporation	Korea	41.0%	311,372	320,568	317,050
NHIP II Bison Holdings, LLC	USA	24.5%	297,511	350,565	265,634
Hana Card Co., Ltd. (*4)	Korea	-	-	-	349,866
Yemen LNG Company Ltd. (*2,5)	Bermuda	6.9%	252,813	-	-
Canakkale Highway And Bridge	Turkiye	25.0%	290,219	356,748	276,853
Korea IT Fund (*6)	Korea	63.3%	242,170	329,547	339,976
ProteoVant Sciences, Inc.	USA	40.0%	222,370	242,401	212,874
Joyvio (*2)	China	14.0%	213,793	262,469	240,006
Content Wavve Corp	Korea	36.4%	165,341	114,281	141,142
Best Oil Company Ltd	Myanmar	35.0%	153,024	163,461	132,430
TBM Co., Ltd. (*2)	Japan	13.5%	141,971	130,852	138,602
ENN (Zhoushan) LNG Co., Ltd. (*2)	China	10.0%	133,234	140,496	130,473
8 Rivers Capital LLC (*2,7)	USA	12.5%	120,495	141,293	-
Others				2,781,282	1,894,323
				<u>26,891,776</u>	<u>23,039,047</u>
Joint ventures (*8):					
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	China	35.0%	676,332	1,119,588	1,140,152
SK Pucore Co., Ltd. (*9)	Korea	-	-	-	397,417
Beijing BESK Technology Co., Ltd.	China	49.0%	247,428	282,806	261,564
Lunar Energy, Inc.	USA	50.0%	181,620	155,270	73,042
ZETA CAYMAN Limited	Cayman	50.0%	178,774	160,128	108,562
Ignis Therapeutics	Cayman	46.9%	177,525	118,888	93,980
Eurasia Tunnel	Turkiye	50.0%	174,215	446,884	323,192
Parkingcloud Corp.	Korea	47.0%	160,038	154,670	160,038
Boryeong LNG Terminal Co., Ltd.	Korea	50.0%	133,323	162,754	146,686
SABIC SK Nexlene Company Pte. Ltd.	Singapore	50.0%	112,670	173,276	125,952
Others				511,733	180,813
				<u>3,285,997</u>	<u>3,011,398</u>
				<u>₩ 30,177,773</u>	<u>₩ 26,050,445</u>

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9. Investments in associates and joint ventures (cont'd)

- (*1) Equity ownership includes indirect investments held by the consolidated subsidiaries.
(*2) The Group retains significant influence on the associate despite having less than 20% equity interests.
(*3) During the current period, the Group lost control by selling part of SK Eco Engineering Co., Ltd. Therefore, it has been transferred to investment in affiliates from investment in subsidiaries.
(*4) The Group recognized loss related to investment in associates of KRW 48,639 million upon receiving KRW 33,032 million in cash from Hana Financial Group Inc. by disposing all of Hana Card Co., Ltd.'s shares.
(*5) Impairment losses on investments in associates were fully recognized as there was an indication of impairment prior to the current period.
(*6) These companies were not included as consolidated subsidiaries as the Group does not have control over more than half of the voting rights by agreements.
(*7) It was newly acquired during the current period.
(*8) 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.
(*9) Although the Group's stake in SK pucore Co., Ltd. does not exceed 50%, it was reclassified as a subsidiary from joint venture for the nine-month period ended September 30, 2022 since the Group can exercise substantial control at the board of directors, and in July 2022, the Group obtained 100% of equity shares by paid-in capital reduction.

(2) Changes in carrying amount of investments in associates and joint ventures

Changes in investments in associates and joint ventures accounted for using the equity method for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

		For the nine-month period ended September 30, 2022							
		Beginning balance	Acquisitions	Disposals	Equity profit or loss on investments	Other comprehensive income	Dividends received	Others (*1)	Ending balance
Associates	₩	23,039,047	₩ 1,305,206	₩ (383,963)	₩ 1,295,963	₩ 603,330	₩ (405,109)	₩ 1,437,302	₩ 26,891,776
Joint ventures	₩	3,011,398	₩ 219,353	₩ (4,031)	₩ (33,562)	₩ 196,094	₩ (72,067)	₩ (31,188)	₩ 3,285,997
	₩	<u>26,050,445</u>	<u>₩ 1,524,559</u>	<u>₩ (387,994)</u>	<u>₩ 1,262,401</u>	<u>₩ 799,424</u>	<u>₩ (477,176)</u>	<u>₩ 1,406,114</u>	<u>₩ 30,177,773</u>

		For the nine-month period ended September 30, 2021							
		Beginning balance	Acquisitions	Disposals	Equity profit or loss on investments	Other comprehensive income	Dividends received	Others (*1)	Ending balance
Associates	₩	18,147,495	₩ 3,464,913	₩ (23,682)	₩ 1,218,844	₩ 291,921	₩ (229,100)	₩ 498,092	₩ 23,368,483
Joint ventures	₩	2,871,468	₩ 77,275	₩ (2,838)	₩ 151,783	₩ 72,382	₩ (30,374)	₩ (410,768)	₩ 2,728,928
	₩	<u>21,018,963</u>	<u>₩ 3,542,188</u>	<u>₩ (26,520)</u>	<u>₩ 1,370,627</u>	<u>₩ 364,303</u>	<u>₩ (259,474)</u>	<u>₩ 87,324</u>	<u>₩ 26,097,411</u>

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

(3) Details of unrecognized changes in equity method caused by discontinuing the application of equity method as of September 30, 2022 are as follows (Korean won in millions):

	Beginning balance	Changes	Ending balance
Korea Consortium Kazakh B.V.	₩ 175,694	₩ -	₩ 175,694
Yemen LNG Company Ltd. and others	75,168	(1,808)	73,360

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9. Investments in associates and joint ventures (cont'd)

(4) Condensed financial information of significant investments in associates and joint ventures as of September 30, 2022 are as follows (Korean won in millions):

	As of and for the year ended September 30, 2022						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Sales	Net income (loss)	Total comprehensive income (loss)
Associates:							
SK Hynix Inc.	₩ 31,896,913	₩ 77,648,888	₩ 18,383,115	₩ 22,439,499	₩ 36,949,537	₩ 5,962,401	₩ 8,049,887
Vingroup Joint Stock Company	15,501,480	16,341,785	15,900,009	7,994,225	3,543,102	(423,410)	(423,410)
Eureka Midstream Holdings	32,728	1,247,213	21,457	425,733	104,076	48,883	48,883
VCM Services And Trading Development Joint Stock Company	513,419	444,644	527,324	279,303	1,143,387	(36,636)	(36,636)
Masan Group Corporation	2,216,283	5,324,366	3,151,112	2,054,003	3,213,627	540,137	531,935
SK Eco Engineering Co., Ltd.	1,072,481	50,746	783,647	63,595	1,826,301	127,877	132,406
Darwin LNG Pty Ltd.	526,912	46,009	387,137	33,717	1,495,810	38,280	38,280
Center For Breakthrough Medicines Holdings, LLC	265,419	159,549	65,668	17,843	7,886	(76,838)	(76,838)
Shenzhen Londian Wason Holdings Group Co., Ltd.	1,551,447	1,271,110	1,574,460	234,361	1,098,743	102,754	102,754
The CrownX Corporation	1,516,534	1,520,507	1,167,429	537,680	2,306,486	140,857	140,857
FR BR Aggregator	4,734	1,596,721	6,055	661,616	-	3,666	3,666
Huizhou EVE United Energy Co., Ltd.	947,796	674,762	531,319	95,212	1,208,315	26,416	26,416
Peru LNG Company, LLC	1,620,193	2,519,358	972,492	1,550,138	3,213,105	60,683	60,683
Daehan Oil Pipeline Corporation	145,525	888,073	31,899	255,981	135,915	31,234	31,234
NHIP II Bison Holdings, LLC	26,380	1,398,109	88	1,573	-	65,971	65,971
Canakkale Highway And Bridge	337,325	4,261,439	191,882	2,970,739	-	(43,365)	207,527
Korea IT Fund	103,857	416,480	-	-	15,853	7,938	3,127
ProteoVant Sciences, Inc.	201,218	14,646	25,254	21,948	1,580	(18,937)	(18,937)
Joyvio	2,188,464	2,764,658	1,694,729	1,394,559	2,885,856	41,800	39,634
Content Wavve Corp	176,032	128,524	81,685	339,854	188,571	(98,284)	(98,284)
Best Oil Company Ltd.	454,482	201,638	341,476	14,589	1,087,470	85,883	85,883
TBM Co., Ltd.	128,506	58,918	23,124	48,041	21,299	(17,348)	(17,348)
ENN (Zhoushan) LNG Co., Ltd.	74,934	1,082,720	59,187	468,862	113,181	40,847	40,847
8 Rivers Capital LLC	127,964	15,302	3,045	11,313	6,114	(23,205)	(23,205)
Joint ventures:							
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	1,381,118	4,758,604	1,917,278	1,260,497	8,219,430	(105,238)	(105,238)
Beijing BESK Technology Co., Ltd.	552,902	493,385	434,800	25,079	642,415	8,531	8,531
Lunar Energy, Inc.	206,268	161,995	16,042	7,870	2,524	(83,378)	(83,378)
ZETA CAYMAN Limited	298	320,499	538	-	-	(1,437)	50,831
Ignis Therapeutics	125,145	253,323	327	601	-	(23,581)	(25,121)
Eurasia Tunnel	475,076	3,592,280	362,006	1,967,499	14,056	89,340	140,797
Parkingcloud Corp	122,443	84,088	33,473	60,203	52,575	(6,386)	(6,386)
Boryeong LNG Terminal Co., Ltd.	152,015	1,533,227	136,617	1,246,994	194,181	31,742	31,734
SABIC SK Nexlene Company Pte. Ltd.	387,326	498,437	103,008	365,226	491,950	117,297	19,677

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10. Property, plant and equipment

(1) Details of property, plant and equipment as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022	December 31, 2021
Acquisition cost	₩ 83,178,443	₩ 73,860,837
Accumulated depreciation and accumulated impairment loss	(25,430,724)	(22,467,096)
	<u>₩ 57,747,719</u>	<u>₩ 51,393,741</u>

(2) Changes in property, plant and equipment for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022						Ending balance
	Beginning balance	Business combinations	Acquisitions	Disposals	Depreciation	Others (*1)	
Land	₩ 9,294,248	₩ 290,689	₩ 7,362	₩ (62,391)	₩ -	₩ (160,048)	₩ 9,369,860
Buildings	6,003,660	78,401	22,473	(32,003)	(199,165)	835,299	6,708,665
Structures	1,986,791	62,524	14,692	(2,866)	(108,211)	86,174	2,039,104
Machinery and equipment	20,845,521	81,513	386,565	(100,668)	(3,111,049)	2,973,135	21,075,017
Vehicles	180,594	7,538	6,825	(2,911)	(13,780)	8,007	186,273
Operating lease assets	1,942,319	-	808,464	(17,689)	(336,875)	(140,779)	2,255,440
Others	4,447,472	120,998	1,095,044	(12,437)	(591,564)	147,335	5,206,848
Construction-in-progress	6,693,136	21,310	7,337,248	(17,834)	-	(3,127,348)	10,906,512
	<u>₩ 51,393,741</u>	<u>₩ 662,973</u>	<u>₩ 9,678,673</u>	<u>₩ (248,799)</u>	<u>₩ (4,360,644)</u>	<u>₩ 621,775</u>	<u>₩ 57,747,719</u>

	For the nine-month period ended September 30, 2021						Ending balance
	Beginning balance	Business combinations	Acquisitions	Disposals	Depreciation	Others (*1)	
Land	₩ 8,514,509	₩ 853,059	₩ 59,051	₩ (128,089)	₩ -	₩ (46,535)	₩ 9,251,995
Buildings	4,567,149	233,375	21,635	(21,655)	(163,912)	1,303,711	5,940,303
Structures	1,660,194	48,911	16,178	(19,810)	(84,813)	348,552	1,969,212
Machinery and equipment	20,261,529	89,603	347,874	(97,997)	(2,936,944)	2,862,754	20,526,819
Vehicles	199,411	1,000	5,344	(1,156)	(24,854)	5,242	184,987
Operating lease assets	1,786,789	-	678,724	(22,973)	(331,622)	(196,632)	1,914,286
Others	3,382,742	21,074	974,151	(5,871)	(594,353)	508,175	4,285,918
Construction-in-progress	5,523,271	13,902	3,863,835	(3,859)	-	(4,296,881)	5,100,268
	<u>₩ 45,895,594</u>	<u>₩ 1,260,924</u>	<u>₩ 5,966,792</u>	<u>₩ (301,410)</u>	<u>₩ (4,136,498)</u>	<u>₩ 488,386</u>	<u>₩ 49,173,788</u>

(*1) Others include changes in consolidation scope, transfer of intangible assets and investment properties, impairment losses, net translation differences and others.

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11. Right-of-use assets and lease liabilities

(1) Details of right-of-use assets as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022	December 31, 2021
Acquisition cost	₩ 7,960,413	₩ 7,234,373
Accumulated depreciation and accumulated impairment loss	(2,603,233)	(2,200,057)
	<u>₩ 5,357,180</u>	<u>₩ 5,034,316</u>

(2) Changes in right-of-use assets for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022						Ending balance
	Beginning balance	Business combinations	Acquisitions	Disposals	Depreciation	Others (*1)	
Land and buildings	₩ 2,200,309	₩ 10,786	₩ 602,715	₩ (111,433)	₩ (449,452)	₩ 48,943	₩ 2,301,868
Tank	172,618	-	29,452	(64)	(48,017)	3,119	157,108
Ships and vessels	1,234,191	-	252,218	-	(86,080)	129,903	1,530,232
Vehicles	1,167,310	36,994	238,087	(205,113)	(203,990)	9,899	1,043,187
Others	259,888	11,257	84,990	(20,504)	(65,917)	55,071	324,785
	<u>₩ 5,034,316</u>	<u>₩ 59,037</u>	<u>₩ 1,207,462</u>	<u>₩ (337,114)</u>	<u>₩ (853,456)</u>	<u>₩ 246,935</u>	<u>₩ 5,357,180</u>

	For the nine-month period ended September 30, 2021						Ending balance
	Beginning balance	Business combinations	Acquisitions	Disposals	Depreciation	Others (*1)	
Land and buildings	₩ 3,230,719	₩ 25,577	₩ 1,019,182	₩ (343,846)	₩ (412,724)	₩ (1,376,526)	₩ 2,142,382
Tank	217,252	-	2,071	(1,143)	(46,804)	141	171,517
Ships and vessels	1,013,186	-	-	-	(69,182)	29,466	973,470
Vehicles	1,264,696	1,291	244,225	(186,993)	(210,094)	43,351	1,156,476
Others	452,627	188	117,055	(106,110)	(66,433)	(140,543)	256,784
	<u>₩ 6,178,480</u>	<u>₩ 27,056</u>	<u>₩ 1,382,533</u>	<u>₩ (638,092)</u>	<u>₩ (805,237)</u>	<u>₩ (1,444,111)</u>	<u>₩ 4,700,629</u>

(*1) The amounts include exclusion from the scope of consolidation, net foreign exchange differences and others.

(3) Changes in lease liabilities for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022							Ending balance
	Beginning balance	Business combinations	Increase	Interest expenses	Decrease	Transfer	Others (*1)	
Lease liabilities	₩ 5,054,890	₩ 63,393	₩ 1,177,801	₩ 107,804	₩ (929,324)	₩ (69,339)	₩ 108,292	₩ 5,513,517

	For the nine-month period ended September 30, 2021							Ending balance
	Beginning balance	Business combinations	Increase	Interest expenses	Decrease	Transfer	Others (*1)	
Lease liabilities	₩ 5,665,951	₩ 27,080	₩ 1,464,273	₩ 91,054	₩ (987,110)	₩ (50,662)	₩ (1,431,278)	₩ 4,779,308

(*1) The amounts include exclusion from the scope of consolidation, net foreign exchange differences and others.

The Group recognized lease payments of ₩185,719 million (₩112,543 million as of September 30, 2021) in relation to short-term lease, ₩8,840 million (₩8,175 million as of September 30, 2021) in relation to leases of low-value assets, and ₩146,491 million (₩108,061 million as of September 30, 2021) in relation to variable lease payments in cost of sales and selling and administrative expenses for the nine-month period ended September 30, 2022. The total cash outflow of leases for the nine-month period ended September 30, 2022 is ₩1,270,374 million (₩1,215,889 million for the nine-month ended September 30, 2021).

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12. Investment properties

(1) Details of investment properties as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Acquisition cost	₩ 1,772,782	₩ 1,125,221
Accumulated depreciation and accumulated impairment loss	<u>(173,295)</u>	<u>(158,093)</u>
	<u>₩ 1,599,487</u>	<u>₩ 967,128</u>

(2) Changes in investment properties for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	<u>For the nine-month period ended September 30, 2022</u>					
	<u>Beginning balance</u>	<u>Acquisition</u>	<u>Disposal</u>	<u>Depreciation</u>	<u>Others (*1)</u>	<u>Ending balance</u>
Land	₩ 544,584	₩ 305,061	₩ (4,090)	₩ -	₩ 15,273	₩ 860,828
Buildings	417,545	250,528	(2,728)	(17,370)	86,020	733,995
Structures	4,999	5	-	(114)	(226)	4,664
	<u>₩ 967,128</u>	<u>₩ 555,594</u>	<u>₩ (6,818)</u>	<u>₩ (17,484)</u>	<u>₩ 101,067</u>	<u>₩ 1,599,487</u>

	<u>For the nine-month period ended September 30, 2021</u>					
	<u>Beginning balance</u>	<u>Acquisition</u>	<u>Disposal</u>	<u>Depreciation</u>	<u>Others (*1)</u>	<u>Ending balance</u>
Land	₩ 501,528	₩ -	₩ (5,564)	₩ -	₩ 156,456	₩ 652,420
Buildings	63,800	83,719	(108,950)	(11,052)	423,628	451,145
Structures	3,828	452	-	(119)	(6)	4,155
	<u>₩ 569,156</u>	<u>₩ 84,171</u>	<u>₩ (114,514)</u>	<u>₩ (11,171)</u>	<u>₩ 580,078</u>	<u>₩ 1,107,720</u>

(*1) This includes transferred amounts to property, plant and equipment, net translation differences and others.

13. Goodwill

(1) Changes in goodwill for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>September 30, 2021</u>
Beginning balance	₩ 5,618,511	₩ 4,463,951
Business combinations (see Note 35)	2,028,069	850,669
Others (*1)	<u>575,122</u>	<u>153,345</u>
Ending balance	<u>₩ 8,221,702</u>	<u>₩ 5,467,965</u>

(*1) Others include net translation differences, retroactive adjustment amount of identifiable net assets in accordance with past business combination.

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14. Intangible assets

Changes in intangible assets for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022						
	Beginning balance	Business combinations	Acquisitions	Disposals	Amortization	Others (*3)	Ending balance
Development costs	₩ 292,091	₩ -	₩ 37,682	₩ (332)	₩ (58,312)	₩ (4,032)	₩ 267,097
Facility usage rights	51,727	2,239	907	(1)	(5,262)	(10,435)	39,175
Industrial property rights	122,489	-	14,072	(1,848)	(10,378)	(17,577)	106,758
Frequency usage rights	2,559,690	-	-	-	(357,585)	-	2,202,105
Customer-related assets	2,915,524	848	1,540	(179)	(211,593)	87,909	2,794,049
Membership (*1)	308,690	1,577	41,270	(14,332)	-	2,971	340,176
Development costs for petroleum resource	1,134,207	-	131,137	-	(51,389)	71,964	1,285,919
Brand-related assets (*1)	2,634,144	27,243	-	-	-	(19,296)	2,642,091
Developed technology	870,417	131,033	-	-	(126,732)	111,792	986,510
Others (*2)	1,792,911	197,134	113,201	(5,998)	(474,355)	168,586	1,791,479
	<u>₩ 12,681,890</u>	<u>₩ 360,074</u>	<u>₩ 339,809</u>	<u>₩ (22,690)</u>	<u>₩ (1,295,606)</u>	<u>₩ 391,882</u>	<u>₩ 12,455,359</u>

	For the nine-month period ended September 30, 2021						
	Beginning balance	Business combinations	Acquisitions	Disposals	Amortization	Others (*3)	Ending balance
Development costs	₩ 219,166	₩ 1,382	₩ 53,268	₩ (1,733)	₩ (45,642)	₩ 32,519	₩ 258,960
Facility usage rights	43,505	-	868	(7)	(5,305)	1,990	41,051
Industrial property rights	87,019	37,528	20,204	(272)	(7,671)	(16,385)	120,423
Frequency usage rights	1,932,765	-	219,577	-	(386,809)	-	1,765,533
Customer-related assets	2,999,320	59,269	5,139	(451)	(197,338)	92,444	2,958,383
Membership (*1)	284,835	-	15,755	(10,485)	-	478	290,583
Development costs for petroleum resource	1,149,011	-	55,953	-	(23,160)	(595,136)	586,668
Brand-related assets (*1)	2,631,393	10	-	-	-	4,273	2,635,676
Developed technology	989,587	-	-	-	(117,435)	74,309	946,461
Others (*2)	1,692,511	237,152	73,070	(6,614)	(460,885)	31,201	1,566,435
	<u>₩ 12,029,112</u>	<u>₩ 335,341</u>	<u>₩ 443,834</u>	<u>₩ (19,562)</u>	<u>₩ (1,244,245)</u>	<u>₩ (374,307)</u>	<u>₩ 11,170,173</u>

- (*1) Membership and brand-related assets are classified as intangible assets with infinite useful lives and are not amortized.
- (*2) This comprises intangible assets recognized through business combination, software, usable and profitable donation assets and others.
- (*3) This includes exclusion from the scope of consolidation, impairment loss, net translation differences, transfer to intangible assets or property, plant and equipment from construction-in-progress and others.

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15. Borrowings and bonds payable

(1) Details of borrowings and bonds payable as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022		December 31, 2021	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 17,015,600	₩ -	₩ 7,657,381	₩ -
Bonds and long-term borrowings:				
Bonds payable	8,334,473	28,299,089	5,613,715	29,242,287
Long-term borrowings	3,732,125	15,417,433	2,214,356	13,377,854
	<u>12,066,598</u>	<u>43,716,522</u>	<u>7,828,071</u>	<u>42,620,141</u>
	<u>₩ 29,082,198</u>	<u>₩ 43,716,522</u>	<u>₩ 15,485,452</u>	<u>₩ 42,620,141</u>

(*1) It includes borrowings collateralized for trade receivables of ₩146,589 million and ₩89,423 million as of September 30, 2022 and December 31, 2021, respectively, which were transferred but not derecognized.

(2) Details of bonds payable as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022	December 31, 2021
SK Inc.	₩ 6,965,000	₩ 6,735,000
SK Innovation Co., Ltd.	1,377,400	1,252,750
SK Energy Co., Ltd.	3,380,000	3,360,000
SK Geo Centric Co., Ltd.	1,860,000	1,750,000
SK Incheon Petrochem Co., Ltd.	2,037,000	2,110,000
SK Lubricants Co., Ltd.	920,000	720,000
SK Battery America, Inc.	1,434,800	1,185,500
SK On Co., Ltd.	700,000	700,000
SK Earthon Co., Ltd.	150,000	150,000
SK Telecom Co., Ltd.	7,206,760	6,822,600
SK Broadband Co., Ltd.	1,570,440	1,625,650
SK Shieldus Co., Ltd.	297,823	297,823
SK Networks Co., Ltd.	1,110,000	1,040,000
SK Magic Co., Ltd.	420,000	360,000
SK Rent-a-Car Co., Ltd.	720,000	720,000
SKC Co., Ltd.	262,900	398,807
SK Telesys Co., Ltd.	30,000	30,000
SKC Hightech & Marketing Co., Ltd.	-	10,000
SK E&S Co., Ltd.	1,580,000	1,380,000
Paju Energy Service Co., Ltd.	680,000	730,000
Narae Energy Service Co., Ltd.	360,000	360,000
Yeoju Energy Service Co., Ltd.	200,000	200,000
Ige Co., Ltd.	130,000	-
SK Ecoplant Co., Ltd.	1,730,000	1,558,000
SamKang M&T Co., Ltd.	55,000	-
SK Specialty Co., Ltd.	460,000	460,000
SK Materials Airplus Incorporated.	100,000	100,000
SK Siltron Co., Ltd.	881,000	779,000
Teraon Co., Ltd.	10	10
SK Signet Inc.	500	2,800
	36,618,633	34,837,940
Addition: premium on bonds payable	14,929	18,062
Less: current portion	(8,334,473)	(5,613,715)
	<u>₩ 28,299,089</u>	<u>₩ 29,242,287</u>

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15. Borrowings and bonds payable (cont'd)

(3) Details of long-term borrowings as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

Financial institution	Description	Interest rate (%)	September 30, 2022	December 31, 2021
Korea Development Bank and others	General	0.00 ~ 6.79	₩ 6,803,677	₩ 7,062,438
Korea Development Bank and others	Fund for facility	1.00 ~ 6.26	5,023,997	4,300,193
Standard Chartered Bank and others	Foreign borrowings	0.00 ~ 8.00	5,563,860	2,463,366
Korea Energy Agency (*1)	Fund for mine exploration	0.00 ~ 8.80	74,801	61,804
Econg 1st Co., Ltd. and others	Callable preferred share	2.64 ~ 3.09	100,000	100,420
Korea Development Bank and others	Fund for operation	1.56 ~ 3.75	191,881	252,276
KEB Hana Bank	Fund for reasonable energy consumption	1.75	-	3,477
Korea Development Bank and others	Takeover	LIBOR(3M) + 1.60	200,872	165,970
Mizuho Bank and others	Takeover	EURIBOR(3M) + 0.70	226,822	216,117
MD Prime 1st Co., Ltd. and others	Others	3.07, 4.95	1,007,818	1,007,818
			19,193,728	15,633,879
Addition (less): premium (discount)			(44,170)	(41,669)
Less: current portion			(3,732,125)	(2,214,356)
			<u>₩ 15,417,433</u>	<u>₩ 13,377,854</u>

(*1) As of September 30, 2022 and December 31, 2021, the group holds a loan amounting to ₩ 64,653 million and ₩53,420 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.

Long-term borrowings presented above are to be repaid either in installments or all at once upon maturity. Financial instruments and other assets of the Group are pledged as detailed in Note 32.

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16. Provisions

Changes in the provisions for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022					
	Beginning balance	Increase	Decrease	Ending balance	Current	Non-current
Provision for sales warranties	₩ 131,417	₩ 72,618	₩ (14,370)	₩ 189,665	₩ 44,784	₩ 144,881
Provision for service / construction warranties	99,366	14,159	(12,076)	101,449	101,449	-
Provision for restoration	581,157	107,921	(8,443)	680,635	84,413	596,222
Provision for onerous contracts	256,190	17,659	(60,136)	213,713	198,591	15,122
Other provisions	168,371	261,516	(222,240)	207,647	140,780	66,867
	<u>₩ 1,236,501</u>	<u>₩ 473,873</u>	<u>₩ (317,265)</u>	<u>₩ 1,393,109</u>	<u>₩ 570,017</u>	<u>₩ 823,092</u>

	For the nine-month period ended September 30, 2021					
	Beginning balance	Increase	Decrease	Ending balance	Current	Non-current
Provision for sales warranties	₩ 91,319	₩ 29,307	₩ (5,236)	₩ 115,390	₩ 4,939	₩ 110,451
Provision for service / construction warranties	101,415	16,462	(14,213)	103,664	103,216	448
Provision for restoration	166,855	333,139	(8,290)	491,704	63,850	427,854
Provision for onerous contracts	353,075	10,795	(65,778)	298,092	281,980	16,112
Other provisions	224,737	137,383	(185,777)	176,343	157,342	19,001
	<u>₩ 937,401</u>	<u>₩ 527,086</u>	<u>₩ (279,294)</u>	<u>₩ 1,185,193</u>	<u>₩ 611,327</u>	<u>₩ 573,866</u>

17. Defined benefit liabilities

(1) Details of defined benefit liabilities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022	December 31, 2021
Present value of defined benefit obligation	₩ 3,575,101	₩ 3,609,349
Fair value of plan assets	(3,258,696)	(3,381,561)
	<u>₩ 316,405</u>	<u>₩ 227,788</u>

(*1) The Group has recognized ₩37,683 million and ₩56,150 as defined benefit assets as of September 30, 2022 and December 31, 2021.

(2) Changes in the defined benefit liabilities for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,609,349	₩ (3,381,561)	₩ 227,788
Business combinations	29,698	(27,223)	2,475
Provision for pension benefits:			
Current service cost	338,215	-	338,215
Past service cost	90	-	90
Net interest expense (income)	79,910	(76,396)	3,514
Remeasurement:			
Return on plan assets (excluding amounts included in net interest expenses)	-	36,458	36,458
Actuarial changes arising from changes in financial assumptions and others	(199,763)	-	(199,763)
Contributions by employer directly to plan assets	-	(108,074)	(108,074)
Benefit paid	(256,641)	254,350	(2,291)
Others	(25,757)	43,750	17,993
Ending balance	<u>₩ 3,575,101</u>	<u>₩ (3,258,696)</u>	<u>₩ 316,405</u>

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17. Defined benefit liabilities (cont'd)

	For the nine-month period ended September 30, 2021		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,491,805	₩ (3,054,840)	₩ 436,965
Business combinations	3,181	-	3,181
Provision for pension benefits:			
Current service cost	338,902	-	338,902
Past service cost	157	-	157
Net interest expense (income)	60,010	(53,093)	6,917
Remeasurement:			
Return on plan assets (excluding amounts included in net interest expenses)	-	16,168	16,168
Actuarial changes arising from changes in financial assumptions and others	(35,691)	-	(35,691)
Contributions by employer directly to plan assets	-	(68,315)	(68,315)
Benefit paid	(249,160)	245,768	(3,392)
Others	49,972	(56,858)	(6,886)
Ending balance	₩ 3,659,176	₩ (2,971,170)	₩ 688,006

18. Other assets and liabilities

(1) Details of other assets as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	September 30, 2022	December 31, 2021
Current assets:		
Short-term loans	₩ 116,729	₩ 94,031
Accrued income	128,057	114,924
Advanced payments	1,708,579	1,280,959
Prepaid expenses	2,859,486	2,695,879
Guarantee deposits	543,331	276,658
Derivative financial assets	741,366	131,631
Lease receivables	19,053	19,016
Other contract assets	158,425	112,226
Others	128,035	154,321
	₩ 6,403,061	₩ 4,879,645
Non-current assets:		
Long-term prepaid expenses	₩ 1,159,203	₩ 1,187,057
Long-term loans	422,561	411,711
Guarantee deposits	710,671	711,104
Derivative financial assets	1,600,869	740,617
Long-term lease receivables	48,916	36,175
Other long-term contract assets	48,312	41,580
Others (*1)	272,820	230,982
	₩ 4,263,352	₩ 3,359,226

(*1) Includes defined benefit assets amounting to 37,683 million and 56,150 million as of September 30, 2022 and December 31, 2021. The excess amount of certain plans in the Group has not been offset because the amount was not entitled and intended to settle the defined benefit liabilities of other plans (see Note 17).

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18. Other assets and liabilities (cont'd)

(2) Details of other liabilities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>		<u>December 31, 2021</u>	
Current liabilities:				
Accrued expenses	₩	4,649,250	₩	4,845,940
Dividends payable		928		887
Advances received		1,942,323		1,464,756
Unearned revenue		125,288		99,749
Withholdings		2,139,059		2,061,187
Deposits received		246,407		198,776
Income tax payable		1,072,752		1,244,891
Derivative financial liabilities		244,693		321,570
Lease liabilities		1,271,320		1,250,891
Finance guarantee liabilities		1,328		642
Financial liabilities at fair value through profit or loss		110,247		160,528
Other contract liabilities		284,227		293,715
Others		124,939		48,266
		<u>₩ 12,212,761</u>		<u>₩ 11,991,798</u>
Non-current liabilities:				
Long-term accrued expenses	₩	26,595	₩	34,035
Long-term unearned revenue		646,177		640,133
Deposits received		378,376		298,478
Derivative financial liabilities		669,625		439,235
Long-term lease liabilities		4,242,197		3,803,999
Financial guarantee liabilities		22,958		16,910
Financial liabilities at fair value through profit or loss		59,520		59,123
Other long-term contract liabilities		63,455		51,220
Others (*1)		268,427		225,409
		<u>₩ 6,377,330</u>		<u>₩ 5,568,542</u>

(*1) Includes long-term employee benefit liabilities amounting to ₩137,777 million and ₩125,102 million as of September 30, 2022 and December 31, 2021, respectively.

19. Derivative financial assets and liabilities

Details of derivative financial assets and liabilities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>		<u>December 31, 2021</u>	
	<u>Current</u>	<u>Non-current</u>	<u>Current</u>	<u>Non-current</u>
Firm contracts	₩ 20,838	₩ (91,705)	₩ 20,966	₩ (92,236)
Swap contracts	437,159	344,954	(218,791)	(53,910)
Forward contracts	24,577	133,222	9,007	11,170
Futures contracts	23,389	-	8,794	-
Options contracts	(9,290)	544,773	(9,915)	436,358
	<u>₩ 496,673</u>	<u>₩ 931,244</u>	<u>₩ (189,939)</u>	<u>₩ 301,382</u>
Derivative financial assets	₩ 741,366	₩ 1,600,869	₩ 131,631	₩ 740,617
Derivative financial liabilities	(244,693)	(669,625)	(321,570)	(439,235)

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20. Equity

(1) Details of issued capital as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions, except for number of shares):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Number of shares authorized for issue	400,000,000	400,000,000
Per share (Korean won)	₩ 200	₩ 200
Number of shares issued:		
Ordinary share	74,149,329	74,149,329
Preferred share	566,135	566,135
Issued capital:		
Ordinary share	₩ 16,030	₩ 16,030
Preferred share	113	113
	<u>₩ 16,143</u>	<u>₩ 16,143</u>

The Company retired 6,000,000 shares of its treasury stock(par value: ₩1,200 million) in 2015 by reducing retained earnings, which resulted in a difference between total par value of ordinary shares and issued capital.

(2) Details of other paid-in capital as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,836,245)	(1,812,774)
Others (*3)	1,735,592	1,648,903
	<u>₩ 6,508,514</u>	<u>₩ 6,445,296</u>

(*1) During the year ended December 31, 2015, the Company 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 September 30, 2022, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (7,126,083 ordinary shares, based on the date of arrangement) and those acquired from repurchase of shares from dissenting shareholders on business combination and shares arising from odd lot shares (11,023,237 ordinary shares and 1,787 preferred shares) during the year 2015.

(*3) As the stock option exercised during the nine-month period ended September 30, 2022 was exercised in a differential compensation type, the related accounting was changed from a stock settlement type to a cash settlement type, and the difference in the valuation was recognized as other capital surplus.

(3) Details of retained earnings as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Legal reserve (*1)	₩ 8,072	₩ 7,693
Voluntary reserve	62,897	62,897
Unappropriated retained earnings	15,805,976	13,990,460
	<u>₩ 15,876,945</u>	<u>₩ 14,061,050</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 utilized for cash dividends but may only be used to offset a deficit, if any, or be transferred to issued capital through approval at the general meeting of the shareholders.

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20. Equity (cont'd)

(4) Details of other components of equity as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Net gain (loss) on valuation of financial assets measured at FVOCI	₩ (457,679)	₩ 284,085
Equity adjustments of investments in associates and joint ventures	271,161	(27,047)
Net gain on valuation of derivative instruments	62,670	13,388
Net gain on translation of foreign operation	<u>3,101,002</u>	<u>450,836</u>
	<u>₩ 2,977,154</u>	<u>₩ 721,262</u>

(5) 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.

	<u>1-1(*1)</u>	<u>1-2(*2)</u>	<u>1-3(*2)</u>	<u>2-1(*2)</u>	<u>2-2(*2)</u>
Grant date	2017-03-24			2020-03-25	
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 (shares)	41,429	41,430	41,431	142,692	71,346
Exercise price (Korean won)	₩ 226,290	₩ 244,400	₩ 263,950	₩ 153,450	₩ 153,450
Contractual life of options	2019.03.25 ~2022.03.24	2020.03.25 ~2023.03.24	2021.03.25 ~2024.03.24	2023.03.26 ~2027.03.25	2023.03.26 ~2027.03.25
Vesting conditions	2 year service from the grant date	3 year service from the grant date	4 year service from the grant date	2 year service from the grant date	3 year service from the grant date
	<u>1(*2,3)</u>	<u>2(*2,3)</u>	<u>1(*2,3)</u>	<u>2(*2,3)</u>	<u>2(*2,3)</u>
Grant date	2018-03-29			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 (shares)	18,607	18,607	39,098	19,551	19,551
Exercise price (Korean won)	₩ 100,884	₩ 108,959	₩ 89,204	₩ 89,204	₩ 89,204
Contractual life of options	2020.03.29 ~2023.03.28	2021.03.29 ~2024.03.28	2023.03.31 ~2027.03.30	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	3 year service from the grant date

(*1) All were exercised during the nine-month period ended September 30, 2022.

(*2) The Group decided to pay cash for the difference between the exercise value of the stock option exercised in the current period and the actual value of the stock. Accordingly, it was determined that the Group is obligated to pay cash for the unexercised stock option and the accounting for stock options changed from equity-settled to cash-settled.

(*3) The stock options have been transferred from SK Materials Co., Ltd.(formerly)

Share compensation expenses reversed during the nine-month period ended September 30, 2022 are ₩7,643 million (total : ₩(-)7,271 million), and ₩6,125 million of the accumulated compensation expenses recognized have been derecognized due to the change to cash-settled. The liability recognized in relation to the cash-settled share option for the nine-month period ended September 30, 2022 is ₩11,362 million.

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20. Equity (cont'd)

The Group used the binomial option pricing model, and the inputs used in the measurement of the fair values at the grant date of the share-based payment plans are as follows (Korean won):

	1-2		1-3		2-1		2-2	
Risk-free interest rate		3.22%		3.85%		4.16%		4.16%
Option life		6 years		7 years		7 years		7 years
Expected price (Closing price on the preceding day in Korean won)	₩	192,000	₩	192,000	₩	192,000	₩	192,000
Expected volatility		27.20%		27.20%		27.20%		27.20%
Rate of returns		4.17%		4.17%		4.17%		4.17%
Exercise price (Korean won)	₩	244,440	₩	263,950	₩	153,450	₩	153,450
Fair value per share (Korean won)	₩	1,797	₩	6,041	₩	53,618	₩	53,618

	1		2		1		2	
Risk-free interest rate		3.23%		3.87%		4.16%		4.16%
Option life		5 years		6 years		7 years		7 years
Expected price (Closing price on the preceding day in Korean won)	₩	192,000	₩	192,000	₩	192,000	₩	192,000
Expected volatility		27.20%		27.20%		27.20%		27.20%
Rate of returns		4.17%		4.17%		4.17%		4.17%
Exercise price (Korean won)	₩	100,884	₩	108,959	₩	89,204	₩	89,204
Fair value per share (Korean won)	₩	91,116	₩	83,041	₩	100,471	₩	100,471

Changes in stock option granted by the Company for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won):

	September 30, 2022		September 30, 2021	
	Quantities	Weighted average exercise price	Quantities	Weighted average exercise price
Beginning balance	434,191	₩ 166,785	338,328	₩ 145,743
Granted	-	-	-	-
Exercised	(41,429)	(226,290)	-	-
Ending balance	<u>392,762</u>	<u>₩ 160,508</u>	<u>338,328</u>	<u>₩ 145,743</u>

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. As of September 30, 2022, the recognized stock compensation costs related to the Stock Grant is ₩ 340 million.

2) Subsidiaries of the Company 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 are as follows (Korean won in millions):

	Current(reversal)	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 2,456	₩ 6,660	₩ 3,112	₩ 9,772
Group of SK Telecom Co., Ltd.	77,576	154,555	3,967	158,522
Group of SK Square Co., Ltd.	17,627	31,563	47,925	79,488
Group of SK Networks Co., Ltd.	926	2,598	617	3,215
Group of SKC Co., Ltd.	(8,746)	4,375	1,911	6,286
Group of SK E&S Co., Ltd.	-	496	14	510
Group of SK Ecoplant Co., Ltd.	1,759	1,759	5,853	7,612
Others	1,801	4,421	8,160	12,581
	<u>₩ 93,399</u>	<u>₩ 206,427</u>	<u>₩ 71,559</u>	<u>₩ 277,986</u>

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21. Selling and administrative expenses

Details of selling and administrative expenses for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Salaries	₩ 513,614	₩ 1,375,946	₩ 342,091	₩ 1,024,286
Provision for pension benefits	29,969	100,400	27,440	91,360
Employee welfare benefits	85,124	284,655	65,622	222,738
Travel	29,101	69,370	12,459	30,871
Bad debt expenses	26,725	65,944	13,875	40,559
Communications	2,537	6,693	2,198	5,968
Utilities	11,301	35,164	8,237	24,095
Taxes and dues	29,314	97,466	66,953	121,587
Supplies	16,540	41,909	8,995	26,402
Rents	49,765	133,355	36,760	103,155
Depreciation	143,967	407,731	110,213	328,998
Amortization	93,800	260,863	61,610	219,439
Repairs	4,567	15,533	6,149	17,399
Insurance	19,035	49,867	15,143	39,660
Advertising	176,081	509,263	172,177	450,477
Research and development	176,474	466,939	122,500	341,504
Education and examination	19,591	49,965	11,560	49,381
Outsourcing technology services	215,732	563,583	192,324	557,980
Transport	112,405	329,501	95,338	251,581
Others	62,172	188,944	22,873	89,267
	<u>₩ 1,817,814</u>	<u>₩ 5,053,091</u>	<u>₩ 1,394,517</u>	<u>₩ 4,036,707</u>

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22. Finance income and expenses

Details of finance income and costs for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Financial income:				
Interest income	₩ 119,963	₩ 277,848	₩ 43,496	₩ 118,472
Gain on foreign currency transactions	1,149,092	2,253,443	270,928	799,009
Gain on foreign currency translation	367,524	777,307	204,800	418,679
Gain on transactions of derivatives	743,498	2,697,126	277,935	671,294
Gain on valuation of derivatives	585,630	1,033,703	283,529	448,292
Others	28,783	253,992	6,785	145,260
	<u>₩ 2,994,490</u>	<u>₩ 7,293,419</u>	<u>₩ 1,087,473</u>	<u>₩ 2,601,006</u>

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Financial expenses:				
Interest expenses	₩ 548,179	₩ 1,393,233	₩ 367,363	₩ 1,048,197
Loss on foreign currency transactions	1,252,048	2,547,813	313,969	874,143
Loss on foreign currency translation	978,325	1,759,130	359,484	626,006
Loss on transactions of derivatives	695,263	2,838,826	240,017	841,308
Loss on valuation of derivatives	247,481	497,596	300,503	466,830
Others	(114,441)	616,231	38,560	85,863
	<u>₩ 3,606,855</u>	<u>₩ 9,652,829</u>	<u>₩ 1,619,896</u>	<u>₩ 3,942,347</u>

23. Other non-operating income and expenses

(1) Details of other non-operating income for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Other non-operating income:				
Dividend income	₩ 13,548	₩ 32,487	₩ 22,980	₩ 32,853
Rental income	726	1,400	183	667
Gain on disposal of trade receivables	-	1,043	7,528	25,824
Gain on disposal of investments in associates and joint ventures	9,234	493,313	24,708	399,157
Gain on disposal of property, plant and equipment	10,027	90,151	46,507	197,968
Gain on disposal of intangible assets	1,259	81,575	59,521	145,787
Others	129,511	521,570	104,730	1,050,055
	<u>₩ 164,305</u>	<u>₩ 1,221,539</u>	<u>₩ 266,157</u>	<u>₩ 1,852,311</u>

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23. Other non-operating income and expenses (cont'd)

(2) Details of other non-operating expenses for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Other non-operating expenses:				
Loss on disposal of trade receivables	₩ 27,001	₩ 42,729	₩ 3,571	₩ 11,240
Loss on impairment of investments in associates	-	-	457	3,801
Loss on disposal of property, plant and equipment	15,657	39,495	26,510	70,308
Loss on impairment of property, plant and equipment	5,650	10,837	2,372	4,663
Loss on disposal of intangible assets	1,229	2,612	310	2,124
Loss on impairment of intangible assets	737	737	24,308	80,000
Donations	13,707	50,787	5,363	44,834
Others	162,114	264,351	187,696	1,254,860
	<u>₩ 226,095</u>	<u>₩ 411,548</u>	<u>₩ 250,587</u>	<u>₩ 1,471,830</u>

24. Expense classified based on nature of expense

Details of classification based on nature of expenses for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Employee benefits	₩ 2,329,490	₩ 6,667,882	₩ 1,761,416	₩ 5,409,417
Depreciation and amortization	2,202,917	6,509,706	2,120,590	6,175,917
Network connection	190,206	569,905	210,547	634,924
Transport	309,567	884,184	201,860	558,737
Advertising	174,380	513,017	172,414	462,325
Lease payments and rents	165,193	435,375	113,893	324,056
Others	4,434,939	15,889,810	5,854,293	14,085,073
Use of raw materials and purchase of finished goods and merchandise	24,915,179	62,749,697	14,129,386	40,519,867
Changes in finished goods and semi-finished good	(37,220)	(2,697,834)	(1,105,768)	(2,806,397)
	<u>₩ 34,684,651</u>	<u>₩ 91,521,742</u>	<u>₩ 23,458,631</u>	<u>₩ 65,363,919</u>

25. 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 continuing operations for the nine-month periods ended September 30, 2022 and 2021 are 32.02% and 39.52% respectively.

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26. Earnings per share

(1) Basic earnings per share for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Profit for the period attributable to owners of the parent	₩ 179,368	₩ 2,200,025	₩ 14,597	₩ 745,937
Less: preferred share dividends	(923)	(3,619)	(853)	(3,407)
Profit for the period attributable to ordinary share owners of the parent	178,445	2,196,406	13,744	742,530
Weighted-average number of ordinary share outstanding (*1)	<u>56,107,467</u>	<u>56,111,393</u>	<u>52,307,337</u>	<u>52,307,184</u>
Basic earnings per share (In Korean won)	<u>₩ 3,180</u>	<u>₩ 39,144</u>	<u>₩ 263</u>	<u>₩ 14,196</u>

(*1) The weighted-average number of ordinary share outstanding is calculated by multiplying the number of shares issued by the portion of the reporting period those shares covered. The treasury shares held until the disposal date, after the date of acquisition, are excluded from the number of ordinary shares outstanding.

The basis of calculating the weighted-average number of ordinary shares for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows:

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Weighted-average number of shares outstanding	74,149,329	74,149,329	70,360,297	70,360,297
Weighted-average number of treasury shares	(18,041,862)	(18,037,936)	(18,052,960)	(18,053,113)
Weighted-average number of issued shares outstanding	56,107,467	56,111,393	52,307,337	52,307,184

Diluted earnings per share for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Profit for the period attributable to ordinary share owners of the parent	₩ 178,445	₩ 2,196,406	₩ 13,744	₩ 742,530
Weighted-average number of diluted ordinary share outstanding	<u>56,212,505</u>	<u>56,228,555</u>	<u>52,407,962</u>	<u>52,415,377</u>
Diluted earnings per share (In Korean won)	<u>₩ 3,174</u>	<u>₩ 39,062</u>	<u>₩ 262</u>	<u>₩ 14,166</u>

The basis of calculating the weighted-average number of diluted ordinary shares for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows:

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Weighted-average number of shares outstanding	56,107,467	56,111,393	52,307,337	52,307,184
Effect of exercise of stock option	105,038	117,162	100,625	108,193
Weighted-average number of diluted ordinary shares outstanding	56,212,505	56,228,555	52,407,962	52,415,377

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26. Earnings per share (cont'd)

(2) Basic and diluted earnings (loss) per share from continuing operations

Basic earnings (loss) per share from continuing operations for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except basic earnings per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Profit for the period attributable to owners of the parent	₩ 178,445	₩ 2,196,406	₩ 13,744	₩ 742,530
Less: profit (loss) from discontinued operations	(11,370)	277,503	29,357	136,452
Profit (loss) for the period from continuing operations attributable to owners of the parent ordinary share owners of the parent	189,815	1,918,903	(15,613)	606,078
Weighted-average number of ordinary shares outstanding	<u>56,107,467</u>	<u>56,111,393</u>	<u>52,307,337</u>	<u>52,307,184</u>
Basic earnings (loss) per share from continuing operations (In Korean won)	<u>₩ 3,383</u>	<u>₩ 34,198</u>	<u>₩ (298)</u>	<u>₩ 11,587</u>

Diluted earnings (loss) per share from continuing operations for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except basic earnings per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Profit (loss) for the period from continuing operations attributable to owners of the parent	₩ 189,815	₩ 1,918,903	₩ (15,613)	₩ 606,078
Weighted-average number of diluted ordinary shares outstanding	<u>56,212,505</u>	<u>56,228,555</u>	<u>52,407,962</u>	<u>52,415,377</u>
Diluted earnings (loss) per share from continuing operations (In Korean won) (*1)	<u>₩ 3,377</u>	<u>₩ 34,127</u>	<u>₩ (298)</u>	<u>₩ 11,563</u>

(*1) As there is no dilution effect on stock options for the three months preceding the nine-month period ended September 30, 2021, diluted earnings (loss) per share from continuing operations is the same as basic earnings (loss) per share from continuing operations.

(3) Basic earnings (loss) per share from discontinued operations

Basic earnings (loss) per share from discontinued operations for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except basic earnings (losses) per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Gain (loss) from discontinued operations	₩ (11,370)	₩ 277,503	₩ 29,357	₩ 136,452
Weighted-average number of ordinary shares outstanding	<u>56,107,467</u>	<u>56,111,393</u>	<u>52,307,337</u>	<u>52,307,184</u>
Basic earnings (loss) per share from discontinued operations (In Korean won)	<u>₩ (203)</u>	<u>₩ 4,946</u>	<u>₩ 561</u>	<u>₩ 2,609</u>

Diluted earnings (loss) per share from discontinued operations for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions, except basic earnings (loss) per share and weighted-average number of ordinary shares outstanding):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Gain (loss) from discontinued operations	₩ (11,370)	₩ 277,503	₩ 29,357	₩ 136,452
Weighted-average number of diluted ordinary shares outstanding	<u>56,107,467</u>	<u>56,228,555</u>	<u>52,407,962</u>	<u>52,415,377</u>
Diluted earnings (loss) per share from discontinued operations (In Korean won) (*1)	<u>₩ (203)</u>	<u>₩ 4,935</u>	<u>₩ 560</u>	<u>₩ 2,603</u>

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26. Earnings per share (cont'd)

(*1) As there is no dilution effect on stock options for the three months preceding the nine-month period ended September 30, 2022, diluted earnings (loss) per share from continuing operations is the same as basic earnings (loss) per share from continuing operations.

27. Transactions with related parties

Balances on transactions arising from intercompany transactions within the Group were eliminated in preparing the interim condensed consolidated financial statements for the nine-month periods ended September 30, 2022 and 2021.

(1) Details of significant transactions with the related parties for the three-month and nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

		September 30, 2022			
		Sales, etc.		Expenses, etc.	
Company name		Three-month	Nine-month	Three-month	Nine-month
Other related parties	Daehan Oil Pipeline Corporation	₩ 617	₩ 10,968	₩ 16,169	₩ 49,184
	SABIC SK Nexlene Company Pte. Ltd.	97	537	77,797	230,499
	Korea Nexlene Company	61,409	190,862	3	71
	Best Oil Company Limited	66,222	651,472	1	33
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	320	64,336	182,127	586,385
	Baic Eletronics SK(Jiangsu) Technology Co., Ltd.	18,069	46,134	249,988	473,822
	Xinglu (HongKong) Ltd.	33,163	135,934	-	-
	Huizhou EVE United Energy Co., Ltd.	29,259	101,167	289,726	693,394
	Peru LNG Company LLC	108,309	461,693	-	-
	Asia Bitumen Trading Pte. Ltd.	3,682	11,186	7,504	28,053
	Ignis Therapeutics	4,279	8,574	-	-
	F&U Credit Information Co., Ltd.	793	2,635	12,665	38,197
	SK Hynix Inc.	1,248,690	3,371,674	499,512	522,242
	SK Hynix Semiconductor (China) Ltd.	114,108	336,118	258	897
	SK Hynix semiconductor (Chongqing) Ltd.	10,674	30,246	-	-
	SK Hynix Semiconductor HK Ltd.	-	1	185,127	503,927
	SK Hynix System IC Co., Ltd.	795	11,227	-	-
	Happynarae Co., Ltd.	3,720	11,083	96,931	285,745
	SKC Evonik Peroxide Korea Co., Ltd.	5	1,118	11,544	43,052
	Boryeong LNG Terminal Co., Ltd.	23,603	75,672	51,310	161,019
Darwin LNG Pty Ltd.	172,266	404,960	-	-	
Eurasia Tunnel	481	1,905	-	-	
Xe-Pian Xe-Namnoy Power Company	298	12,699	-	-	
SK Eco Engineering Co., Ltd.	10,919	12,884	596,871	1,533,091	
Daewon Green Energy Co., Ltd.	6,321	22,088	-	-	
Others	324,357	676,698	200,028	340,535	
Others (*1)	SK D&D Co., Ltd.	1,073	3,200	345	835
	Ulsan Aromatics Co., Ltd.	30,953	73,915	29,319	75,931
	SK Chemicals Co., Ltd.	13,728	55,237	5,558	13,342
	SK Gas Co., Ltd.	154,254	310,374	91,450	292,294
	Ubins Co., Ltd.	104	519	19,133	52,145
	Others	43,673	87,675	19,287	52,816
		<u>₩ 2,486,241</u>	<u>₩ 7,184,791</u>	<u>₩ 2,642,653</u>	<u>₩ 5,977,509</u>

(*1) Although, not designated as related parties as defined in KIFRS 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and Fair Trade Act*.

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27. Transactions with related parties (cont'd)

		September 30, 2021			
		Sales, etc.		Expenses, etc.	
	Company name	Three-month	Nine-month	Three-month	Nine-month
Other	Daehan Oil Pipeline Corporation	₩ 227	₩ 5,184	₩ 15,540	₩ 46,686
related	SABIC SK Nexlene Company Pte. Ltd.	275	603	53,375	152,969
parties	Korea Nexlene Company	49,366	134,606	2	631
	Best Oil Company Limited	158,017	530,725	3	257
	Asia Bitumen Trading Pte. Ltd.	4,200	6,745	9,479	9,479
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	330	985	178,028	465,837
	Baic Eletronics SK(Jiangsu) Technology Co., Ltd.	16,871	47,190	129,723	316,241
	Xinglu (HongKong) Ltd.	30,628	78,005	4,191	4,191
	F&U Credit Information Co., Ltd.	965	2,926	12,777	38,677
	Peru LNG Company LLC	13,125	70,768	-	-
	SK Hynix Inc.	514,651	2,307,511	5,639	15,341
	SK Hynix Semiconductor (China) Ltd.	100,044	271,425	528	1,206
	SK Hynix semiconductor (Chongqing) Ltd.	7,579	25,284	-	-
	SK Hynix Semiconductor HK Ltd.	-	-	235,291	688,816
	SK Hynix System IC Co., Ltd.	9,447	32,836	2	33
	Happyarae Co., Ltd.	3,732	18,279	80,946	259,489
	SKC Evonik Peroxide Korea Co., Ltd.	5	3,904	13,048	37,871
	Boryeong LNG Terminal Co., Ltd.	9,030	41,457	27,520	70,630
	Darwin LNG Pty Ltd.	3,398	9,839	-	-
	Huizhou EVE United Energy Co., Ltd.	50,875	90,966	215,561	507,838
	Daewon Green Energy Co., Ltd.	8,386	109,808	-	-
	Eurasia Tunnel	624	2,053	-	-
	Xe-Pian Xe-Namnoy Power Company	979	7,075	-	-
	Others	179,633	460,498	28,269	99,190
Others (*1)	Ulsan Aromatics Co., Ltd.	23,150	50,866	17,707	50,677
	SK D&D Co., Ltd.	932	92,077	1,496	3,949
	SK Chemicals Co., Ltd.	22,555	62,674	7,387	17,611
	SK Gas Co., Ltd.	63,653	105,922	74,950	165,987
	Ubins Co., Ltd.	193	794	20,150	56,795
	Others	102,487	206,982	89,021	219,748
		<u>₩ 1,375,357</u>	<u>₩ 4,777,987</u>	<u>₩ 1,220,633</u>	<u>₩ 3,230,149</u>

(*1) Although, not designated as related parties as defined in KIFRS 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and Fair Trade Act*.

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27. Transactions with related parties (cont'd)

(2) Details of significant outstanding balances of receivables and payables with the related parties as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	Company name	September 30, 2022		December 31, 2021	
		Receivables		Receivables	
		(*1)	Payables	(*1)	Payables
Other related parties	Daehan Oil Pipeline Corporation	₩ 318	₩ 8,464	₩ 75	₩ 9,443
	SABIC SK Nexlene Company Pte. Ltd.	783	47,313	5,127	58,538
	Korea Nexlene Company	22,589	68	19,941	146
	Best Oil Company Limited	253,106	31,887	145,233	33,455
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	354	14,269	363	10,883
	Baic Electronics SK(Jiangsu) Technology Co., Ltd.	16,952	266,124	5,514	174,332
	Yemen LNG Company Ltd.	79,404	-	61,219	-
	Xinglu (HongKong) Ltd.	35,315	-	19,097	-
	Huizhou EVE United Energy Co., Ltd.	33,227	306,453	36,143	179,264
	Korea Consortium Kazakh B.V. (*2)	134,972	-	111,520	-
	F&U Credit Information Co., Ltd.	13	4,038	65	5,265
	Wave City Development Co., Ltd.	2,355	-	5,753	-
	SK Hynix Inc.	1,141,293	56,351	694,254	66,600
	SK Hynix Semiconductor (China) Ltd.	69,461	198	57,369	853
	SK Hynix Semiconductor (Chongqing) Ltd.	6,576	4	5,084	138
	SK Hynix Semiconductor HK Ltd.	-	118,810	-	60,528
	SK Hynix System IC Co., Ltd.	483	41	5,474	99
	Happynarae Co., Ltd.	1,302	29,282	9,344	73,563
	SKC Evonik Peroxide Korea Co., Ltd.	2	4,200	-	6,353
	Boryeong LNG Terminal Co., Ltd.	8	918	5,345	7,577
	Darwin LNG Pty Ltd.	74,531	-	120,235	-
	Eurasia Tunnel	27,964	-	25,823	-
	Xe-Pian Xe-Namnoy Power Company	95,296	-	113,282	26,004
	SK Eco Engineering Co., Ltd.	27,061	382,628	-	-
	SK E&C JURONG Investment Singapore Pte. Ltd.	59,914	-	59,914	-
	Godeok Clean Energy Co., Ltd.	-	62,136	-	62,136
	Chuncheon Green Energy Inc.	2	52,521	-	-
	Others	203,298	310,701	240,973	182,353
Others (*3)	Ulsan Aromatics Co., Ltd.	-	12,064	3,841	9,958
	SK Chemicals Co., Ltd.	9,009	2,458	22,563	1,465
	SK Gas Co., Ltd.	40,823	209,322	23,965	227,816
	Ubins Co., Ltd.	66	6,208	199	14,977
	Others	14,251	9,362	1,332	23,655
		<u>₩ 2,350,728</u>	<u>₩ 1,935,820</u>	<u>₩ 1,799,047</u>	<u>₩ 1,235,401</u>

(*1) The Company recognized bad debt expense and reversal of bad debt each amounting to ₩ 451 million and ₩(-)72,273 million for the nine-month period ended September 30, 2022 (for the nine-month period ended September 30, 2021: bad debt expense of ₩3,269 million, write-off and others of ₩(-)32,624 million). The Company recognized the allowance for doubtful accounts amounting to ₩262,089 million and ₩334,633 million as of September 30, 2022 and December 31, 2021, respectively.

(*2) As of September 30, 2022 and December 31, 2021, the Group recognized loss allowances in entirety for the corresponding receivables.

(*3) Although, not designated as related parties as defined in KIFRS 1024, the entity belongs to the same conglomerate affiliates under *Monopoly Regulation and the Fair Trade Act*.

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27. Transactions with related parties (cont'd)

(3) Details of significant treasury transactions with related-parties for the nine-month period ended September 30, 2022 and 2021 are as follows (Korean won in millions):

Company name	Currency	September 30, 2022		September 30, 2021	
		Loans	Collection	Loans	Collection
Yemen LNG Company Ltd.	KRW	4,716	-	3,813	-
Peru LNG Company, LLC.	KRW	-	-	6,996	-
Eurasia Tunnel	KRW	-	-	-	11,243
Yongin Ilban Industry Danji Co., Ltd.	KRW	-	-	5,072	-
Xe-Pian Xe-Namnoy Power Company	KRW	11,990	-	17,436	-
PT REGAS ENERGITAMA					
INFRASTRUKTUR	KRW	-	-	5,077	-

(4) There were additional capital contribution transactions for investments in associates and joint ventures for the nine-month periods ended September 30, 2022 and 2021 (see Note 9 'Investments in associates and joint ventures').

(5) Compensation for key management personnel of the Company.

Key management personnel consists of registered executives who are responsible for the planning, operation and control of the Company's business activities. Details of compensation for them for the three-month and the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	September 30, 2022		September 30, 2021	
	Three-month	Nine-month	Three-month	Nine-month
Salaries	₩ 2,348	₩ 12,778	₩ 4,066	₩ 12,311
Provision for pension benefits	741	9,182	622	7,774
Share compensation expense	(10,192)	(7,303)	146	633
	₩ (7,103)	₩ 14,657	₩ 4,834	₩ 20,718

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28. Discontinued operations

(1) Details of discontinued operations

SK Innovation Co., Ltd., a subsidiary of the Group, decided to suspend operations in North American petroleum development (E&P) businesses and sold related assets and liabilities during the prior period, and profit or loss arising from the relevant business units are classified as profit or loss for the period from discontinued operations. The purpose of the sale of oil development (E&P) businesses in North America and Peru is in line with the long-term policy of subsidiaries to focus their capabilities on core businesses.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations with the sale of its resource business to clean up non-core businesses, strengthen its financial soundness and secure investment funds, during the prior period.

SKC Co., Ltd., a subsidiary of the Group, sold EVA and Back Sheet solar power business and PVDF business for construction during the prior period. In addition, SK Telesys Co., Ltd. and SKC Infra Services Co., Ltd. were sold in accordance with the board's decision on June 24, 2021 for the purpose of concentrating on their core businesses through reorganization of the business structure. In addition, the energy business of SK Telesys Co., Ltd. was classified as discontinued operations during the nine-month period ended September 30, 2022. Based on the resolution of the board of directors on August 24, 2022, the industrial materials business segment which was one of the businesses engaged by the company was physically divided and sold on November 1, 2022.

SK Ecoplant Co., Ltd., a subsidiary of the Group, sold its entire stake in SK TNS Co., Ltd., a subsidiary of the Group, to Alchemist Capital Partners Korea Co., Ltd. on April 30, 2021 for the purpose of converting a portfolio focused on eco-friendly and new energy by the resolution of the board of directors on January 7, 2021. In accordance with the board's resolution on October 28, 2022, after the spin-off and merger of the K-Solutions Business Group, P-Solutions Business Group, Gas&Power Business Group, Battery Business Group, and Industrial Business Group, to SK Eco Engineering Co., Ltd., 50.001% of stake therein was sold on February 16, 2022 and excluded from the consolidation scope.

(2) Profit or loss for the period from the discontinued operation for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

For the nine-month period ended September 30, 2022									
	Resource business and others in SK Networks Co., Ltd.	Energy business in SK Telesys Co., Ltd.	Industrial materials business in SKC Co., Ltd.	K-solutions business group and others in SK ecoplant Co., Ltd.	Total				
Revenue	₩ 47,121	₩ -	₩ 976,083	₩ 1,061,522	₩ 2,084,726				
Expenses	35,238	4,733	937,717	267,726	1,245,414				
Profit (loss) before income tax expense	11,883	(4,733)	38,366	793,796	839,312				
Income tax expense	5,446	-	(4,521)	191,806	192,731				
Profit (loss) for the period from discontinued operations	<u>₩ 6,437</u>	<u>₩ (4,733)</u>	<u>₩ 42,887</u>	<u>₩ 601,990</u>	<u>₩ 646,581</u>				
Attributable to:									
Owners of the parent	2,859	(2,030)	18,397	258,277	277,503				
Non-controlling interests	3,578	(2,703)	24,490	343,713	369,078				

For the nine-month period ended September 30, 2021									
	Petroleum Development business in SK innovation Co., Ltd.	Resource business and others in SK Networks Co., Ltd.	EVA solar business in SKC Co., Ltd.	SKC Infra Service Co., Ltd. and others	Industrial materials business in SKC Co., Ltd.	K-solutions business group and others in SK ecoplant Co., Ltd.	SK TNS and others	Total	
Revenue	₩ 7,934	₩ 109,059	₩ 3,447	₩ 199,093	₩ 863,673	₩ 1,137,836	₩ 282,593	₩ 2,603,635	
Expenses	13,014	36,159	1,674	163,462	820,909	1,058,179	126,141	2,219,538	
Profit (loss) before income tax expense	(5,080)	72,900	1,773	35,631	42,764	79,657	156,452	384,097	
Income tax expense (benefit)	(1,397)	20,260	-	3,141	(1,619)	19,277	37,819	77,481	
Profit (loss) for the period from discontinued operations	<u>₩ (3,683)</u>	<u>₩ 52,640</u>	<u>₩ 1,773</u>	<u>₩ 32,490</u>	<u>₩ 44,383</u>	<u>₩ 60,380</u>	<u>₩ 118,633</u>	<u>₩ 306,616</u>	
Attributable to:									
Owners of the parent	(1,361)	23,390	763	13,986	19,106	27,175	53,393	136,452	
Non-controlling interests	(2,322)	29,250	1,010	18,504	25,277	33,205	65,240	170,164	

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28. Discontinued operations (cont'd)

(3) Details of cash flows relating to discontinued operations for the nine-month period ended September 30, 2021 and 2020 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2022				
	Resource business and others in SK Networks Co., Ltd.	Energy business in SK Telesys Co., Ltd.	Industrial materials business in SKC Co., Ltd.	K-solutions business group and others in SK ecoplant Co., Ltd.	Total
Cash flows from operating activities	₩ 24,113	₩ (4,734)	₩ 88,489	₩ (82,652)	₩ 25,216
Cash flows from investing activities	1,295	-	(45,785)	444,905	400,415
Cash flows from financing activities	3,381	-	(2,935)	(78)	368

	For the nine-month period ended September 30, 2021							
	Petroleum Development business in SK innovation Co., Ltd.	Resource business and others in SK Networks Co., Ltd.	EVA solar business in SKC Co., Ltd.	SKC Infra Service Co., Ltd. and others	Industrial materials business in SKC Co., Ltd.	K-solutions business group and others in SK ecoplant Co., Ltd.	SK TNS and others	Total
Cash flows from operating activities	₩ 6,048	₩ (11,722)	₩ 260	₩ (297)	₩ 79,177	₩ (92,233)	₩ (57,931)	₩ (88,794)
Cash flows from operating activities	44,923	76,188	(470)	(12)	(100,938)	(11,257)	(204)	8,230
Cash flows from operating activities	(79,171)	3,910	(68)	(259)	15,146	(487)	103	(60,826)

29. Assets and liabilities held for sale

Details of non-current assets and non-current liabilities held for sale as of September 30, 2022 are as follows (Korean won in millions):

		September 30, 2022	
		Assets	Liabilities
Investment securities	ESR Cayman Limited (*1)	₩ 354,719	₩ -
Business segment	China business segment (*2)	94,052	13,857
	Resources business segment (*2)	46,277	22,991
	Industrial materials business segment (*3)	2,006,206	584,220
	Others	2,799	-
		<u>₩ 2,504,053</u>	<u>₩ 621,068</u>

(*1) The Group decided to sell ESR Cayman Limited before the year ended December 31, 2021, 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. Some of the shares were sold before the year ended December 31, 2021, and the remaining shares are also being reviewed for sale.

(*2) SK Networks Co., Ltd., a subsidiary, decided to sell the China and resource business sector. The Group 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.

(*3) SKC Co., Ltd., a subsidiary, physically divided the industrial materials business segment. The Group reclassified the disposal asset group into assets and liabilities held for sale and measured them at the lower of their carrying amounts and fair value less costs to sell.

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30. Cash flow information

(1) Details of non-cash adjustments for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month periods ended	
	September 30, 2022	September 30, 2021
Provision for pension benefits	₩ 341,819	₩ 345,976
Depreciation	5,231,584	4,952,906
Amortization	1,295,606	1,244,245
Bad debt expenses	65,944	42,528
(Reversal of) Valuation loss on inventories	137,074	(16,881)
Interest expenses	1,399,764	1,067,736
Loss on foreign currency translation	1,759,130	627,323
Loss on valuation of derivatives	497,596	469,123
Loss on disposal of trade receivables	42,729	11,364
Loss on impairment of investments in associates	-	3,801
Loss on disposal of property, plant and equipment	39,495	75,027
Loss on impairment of property, plant and equipment	10,837	5,032
Loss on disposal of intangible assets	2,612	5,280
Loss on impairment of intangible assets	737	85,087
Income tax expense	2,897,328	2,033,275
Gain on investments in associates and joint ventures	(1,262,401)	(1,370,627)
Interest income	(278,416)	(140,771)
Gain on foreign currency translation	(777,307)	(419,676)
Gain on valuation of derivatives	(1,033,703)	(451,899)
Dividends income	(32,487)	(32,853)
Gain on disposal of trade receivables	(1,043)	(25,824)
Gain on disposal of investments in associates and joint ventures	(493,313)	(399,157)
Gain on disposal of property, plant and equipment	(90,151)	(198,478)
Gain on disposal of intangible assets	(81,575)	(147,625)
Gain on disposal of assets held for sale	(785,828)	-
Others	1,000,574	(1,059,571)
	<u>₩ 9,886,605</u>	<u>₩ 6,705,341</u>

(2) Details of working capital adjustments for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month periods ended	
	September 30, 2022	September 30, 2021
Inventories	₩ (6,717,680)	₩ (3,584,568)
Trade receivables	(1,932,073)	(1,683,852)
Other receivables	(814,176)	(427,056)
Trade payables	4,408,687	2,664,260
Other payables	(1,633,297)	(656,356)
Advances received	245,148	(111,972)
Retirement benefits paid	(282,398)	(199,188)
Plan assets	190,026	120,595
Others	(541,240)	(392,675)
	<u>₩ (7,077,003)</u>	<u>₩ (4,270,812)</u>

(3) Significant non-cash transactions for the nine-month periods ended September 30, 2022 and 2021 are as follows (Korean won in millions):

	For the nine-month periods ended	
	September 30, 2022	September 30, 2021
Decrease in other payables due to acquisition of property, plant and equipment and others	₩ (217,759)	₩ (516,693)

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31. Commitments and contingencies

(1) Guarantees provided for the Group as of September 30, 2022 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Korea Software Financial Corporation	KRW	518,081	Performance guarantees for contract and others
	Seoul Guarantee Insurance	KRW	9,872	Performance guarantees for contract and others
Netruck Co., Ltd.	Seoul Guarantee Insurance	KRW	6	Performance insurances for warranties and others
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	1,342	Performance guarantees for contract
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	21,610	Performance guarantees for contract and others
	KEB Hana Bank	KRW	3,000	Performance insurances for warranties and others
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	34,978	Guarantee of warranties-contract
	Korea Content Financial Cooperative	KRW	34,760	Guarantee of warranties-contract
SK Square Co., Ltd.	KEB Hana Bank	USD	499	Guarantee of foreign currencies
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	686	Performance guarantees and others
SK Shieldus Co., Ltd.	Korea Software Financial Cooperative	KRW	138,985	Guarantee of bid payment and others
SK M & Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,788	Performance guarantees for contract and others
	Shinhan Bank	KRW	700	Guarantee of Korean won
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	1,640	Performance guarantees
Dreamus Company Co., Ltd.	Seoul Guarantee Insurance	KRW	1,850	Performance guarantees for contract
One store Co., Ltd.	Seoul Guarantee Insurance	KRW	3,881	Guarantee for E-commerce and others
	KEB Hana Bank	KRW	100	Guarantees for prepayment method and payment of Korean won
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2	Specific debt guarantee
SK Store Co., Ltd.	Kookmin Bank	KRW	1,540	Performance guarantees and others
11 street Co., Ltd.	KEB Hana Bank	KRW	27,000	Performance guarantees and others
	Seoul Guarantee Insurance	KRW	26,791	Guarantee of deposit on lease and others
FSK L&S Co., Ltd.	Seoul Guarantee Insurance	KRW	9,313	Performance guarantees for contract and others
Incross Co., Ltd.	Seoul Guarantee Insurance	KRW	885	Performance guarantees and others
SK Networks Co., Ltd.	KEB Hana Bank	KRW	2,000	Guarantee of payment for goods
	Seoul Guarantee Insurance	KRW	10,744	Performance guarantees for contract
	Korea Trade Insurance Corporation	KRW	6,795	Guarantee of debt
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	18,417	Performance guarantees for sales contract
	KEB Hana Bank	KRW	1,200	Performance guarantees for contract
SK Magic Co., Ltd.	Seoul Guarantee Insurance	KRW	18,042	Performance insurances for warranties and others
	Machinery Financial Cooperative	KRW	91	Performance insurances for warranties and others
SK Magic Service Co., Ltd.	Seoul Guarantee Insurance	KRW	551	Performance guarantees
SK Rent-a-Car Co., Ltd.	Seoul Guarantee Insurance	KRW	11,534	Performance guarantees for contract
SK Nexilis Co., Ltd.	Seoul Guarantee Insurance	KRW	55	Guarantee of payment
SKC hi-tech&marketing Co., Ltd.	Shinhan Bank	USD	8,000	Guarantee of foreign currencies
SK E&S Co., Ltd.	Seoul Guarantee Insurance	KRW	113,785	Performance guarantees for contract and others
	Kookmin Bank	USD	80,000	Guarantee of debt
	Shinhan Bank	USD	80,000	Guarantee of debt
Yeongnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,913	Guarantee of warranties and approval
Chonnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	858	Guarantee of warranties and payment
Busan City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	2,638	Guarantee of seizure contract and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	1,202	Guarantee of performance and approval
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	3,966	Performance guarantees and warranties
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,831	Performance insurances for warranties and others
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,950	Performance guarantees for contract
Paju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	428	Performance guarantees for approval and others
Narae Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	5,036	Guarantee of license to use state property and others
Yeoju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	10,406	Performance guarantees for deposit on approval and others
Dangjin Haengbok Solar Co., Ltd.	Seoul Guarantee Insurance	KRW	3,205	Guarantee of payment of facility restoration and relocation work expenses
Prism Energy International. Zhoushan Limited	KEB Hana Bank Beijing	CNY	34,460	Guarantee of Terminal fee

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31. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee	
SK Ecoplant Co., Ltd.	HSBC and others	USD	474,484	Performance guarantees for overseas construction and others	
		KWD	88,427	Performance guarantees for overseas construction and others	
		QAR	30,938	Performance guarantees for overseas construction and others	
		TRY	30,703	Performance guarantees for overseas construction and others	
		THB	278,254	Performance guarantees for overseas construction and others	
		KZT	7,568,929	Performance guarantees for overseas construction and others	
		VND	602,858,664	Performance guarantees for overseas construction and others	
		HKD	24,921	Performance guarantees for overseas construction and others	
		AED	119,780	Performance guarantees for overseas construction and others	
		NOK	370,295	Performance guarantees for overseas construction and others	
		EUR	1,658	Performance guarantees for overseas construction and others	
		KEB Hana Bank	USD	165,100	Performance guarantees for overseas construction and others
			SAR	182,198	Performance guarantees for overseas construction and others
	EUR		86,390	Performance guarantees for overseas construction and others	
	GBP		18,900	Performance guarantees for overseas construction and others	
	Korea Eximbank	USD	104,878	Performance guarantees for overseas construction and others	
		EUR	12	Performance guarantees for overseas construction and others	
		NOK	136,302	Performance guarantees for overseas construction and others	
	Korea Housing Guarantee Co., Ltd. Seoul Guarantee Insurance	KRW	5,287,532	Housing guarantees and others	
		KRW	531,388	Performance guarantees for domestic construction and others	
KRW		923,086	Domestic construction contract		
KRW		5,763,136	Performance guarantees for domestic construction and others		
KRW		871,589	Performance guarantees for construction and others		
KRW		166,520	Insurance of overseas investment and others		
Engineering Financial Cooperative Construction Guarantee Cooperative		KRW	86,338	Performance guarantees for business, construction, warranties and others	
		KRW	113,072	Performance guarantees for contract, payment, construction, advance payment and others	
		KRW	157,449	Guarantees for contract, advance payment, warranties and others	
Machinery Financial Cooperative and others		KRW	54	Guarantees for contract and warranties	
	KRW	270	Performance guarantees and others		
Korea Trade Insurance Corporation	USD	6,000	Insurance of short-term export		
	KRW	1,904	Guarantee of deposit on lease		
Environment Management Corporation Co., Ltd.	Seoul Guarantee Insurance	KRW	5,092	Performance guarantees for contract, payment, warranties and deposits	
	Engineering Financial Cooperative	KRW	282	Performance guarantees for sales contract	
SK Specialty Co., Ltd.	Seoul Guarantee Insurance	KRW	20,323	Performance guarantees for contract	
	Seoul Guarantee Insurance	KRW	66	Performance guarantees for contract for underground water and convenience stores	
SK Materials Performance Co., Ltd.	Seoul Guarantee Insurance	KRW	1,185	Performance guarantees and others	
	Seoul Guarantee Insurance	KRW			
SK Biopharmaceuticals Co., Ltd.	Seoul Guarantee Insurance	KRW			
	Seoul Guarantee Insurance	KRW			
SK SIGNET Inc.	Seoul Guarantee Insurance	KRW			
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW			
SK Forest Co., Ltd.	Seoul Guarantee Insurance	KRW			
Hweechan Co., Ltd.	Seoul Guarantee Insurance	KRW			
SK Tri Chem Co., Ltd.	Seoul Guarantee Insurance	KRW			

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31. Commitments and contingencies (cont'd)

(2) Guarantees provided to others and to related parties as of September 30, 2022 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Geo Centric Co., Ltd.	Sabic SK Nexlene Company Pte. Ltd.	USD	220,000	Guarantee of debt
Iberian Lube Base Oils S.A.	Puertos del Estado	EUR	929	Guarantees for construction
	Railway Administration and others	EUR	265	Guarantee for installing facilities and others
SK Innovation Co., Ltd.	Terra Power, LLC	USD	151,000	Performance guarantees for investment
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	440	Performance guarantees for insurance and others
SK Communications Co., Ltd.	Purchaser or right holder of electronic payment method	KRW	650	Protection of user funds from electronic financiers
Dreamus Company Co., Ltd.	Youngkwang Precision Industry Co., Ltd.	KRW	300	Performance guarantees for contract
SKC Co., Ltd.	PI Advanced Materials Co., Ltd.	USD	7,836	Guarantee for litigation
SK E&S Co., Ltd.	Boryeong LNG Terminal Co., Ltd.	KRW	320,000	Guarantee of debt
Environment Management Corporation Co., Ltd.	Dongbugwon Puleunmul Co., Ltd. and others	KRW	29,860	Guarantee of debt
	Geochang Malgunmool Sarang Co., Ltd. and others	KRW	33,009	Guarantee for loan agreement
	Gyeongsan Pure Water Co., Ltd. and others	KRW	1,816	Performance guarantees for business
SK Ecoplant Co., Ltd.	SBC General Trading & Contracting Co. WLL and others	KWD	3,500	Performance guarantees for contract and others
	Pohang Clean Water Co., Ltd. and others	KRW	898,161	Cash deficiency support agreement
	Gweonseon District 6 redevelopment maintenance business association and others	KRW	183,041	Guarantees for reconstruction project financing
	Customers of Pangyo SK view	KRW	807,327	Guarantee of payment of intermediate payment and moving expenses loan
	Lu 1 City SK leaders view and others	KRW	3,802,778	Guarantee of completion
	Callable preferred share investor	KRW	286,000	Cash deficiency support agreement
	Fuel cell power generation project	KRW	169,924	Performance assurance related to long-term maintenance contracts
	Contractor issuing guarantee for sale	KRW	2,256,880	Joint surety

In addition, SK ecoplant Co., Ltd., a subsidiary of the Group, provides other construction companies with performance guarantees for domestic construction, and the amount of the guarantees is ₩746,981 million as of September 30, 2022.

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31. Commitments and contingencies (cont'd)

(3) The Group's significant pending litigations as of September 30, 2022, in which the Group is a plaintiff are as follows (Korean won in millions and foreign currencies in thousands):

Plaintiff	Defendant	Description	Claim	Status
SK Shieldus Co., Ltd.	Individual and others	Claim for damages for breach of contract and others	KRW 742	First trial in progress
SK Planet Co., Ltd.	Fair Trade Commission	Claim for revocation of corrective order and others	KRW 335	First trial in progress
SK Broadband Co., Ltd.	Fair Trade Commission and others	Claim for payment and others	KRW 4,417	Third trial in progress and others
SK Telecom Co., Ltd.	Individual and others	Claim for payment and others	KRW 193,906	Third trial in progress and others
PS&Marketing Corp.	Individual and others	Claim for payment and others	KRW 4,134	Second trial in progress and others
Dreamus Company Co., Ltd.	Ebo Tech	Claim for payment of goods	KRW 100	First trial in progress
SK Networks Co., Ltd.	Individual and others	Claim for lease deposit and others	KRW 5,411	Second trial in progress and others
SK Magic Co., Ltd.	Namdaemun Tax Office Chief and others	Claim for cancellation the imposition of corporate tax and others	KRW 2,510	Third trial in progress and others
SK Rent-a-Car Co., Ltd.	Individual and others	Claim for payment and others	KRW 907	Third trial in progress and others
SK E&S Co., Ltd.	Gwangyang City mayor	Claim for cancellation of imposition of refusal of request for correction	KRW 1,176	First trial in progress
Narae Energy Service Co., Ltd.	Hanam City Hall	Claim for cancellation of the imposition of the contribution to the water supply cause	KRW 2,601	First trial in progress
Paju Energy Service Co., Ltd.	Paju City mayor	Claim for cancellation of imposition of refusal of request for correction	KRW 1,703	First trial in progress
CAILIP Gas Marketing, LLC	Chevron U.S.A. Inc	Claim for compensation for loss of natural gas supply	USD 84,531	First trial in progress
SK Incheon Petrochem Co., Ltd.	Dongatanker Co., Ltd. and others	Claim for payment	KRW 10,075	First trial in progress
SK Ecoplant Co., Ltd.	Korea Rail Network Authority	Claim for payment of construction and others	KRW 4,279	Second trial in progress and others
	Korea Specialty Contractor Financial Cooperative	Claim for deposit of construction performance and others	KRW 3,456	First trial in progress
	Plant & Mechanical Contractors Financial Cooperative and others	Claim for deposit of construction performance	KRW 5,403	Third trial in progress
	Korea National Oil Corporation	Claim for payment of Construction	KRW 13,294	Second trial in progress and others
	Korea Land & Housing Corporation	Claim for payment of construction	KRW 860	Second trial in progress
	Individual and others	Claim related to performance guarantee and others	KRW 104,343	Third trial in progress and others
	Legal manager of Seobon Construction Co., Ltd.	A final and conclusive bond investigation trial of KNPCCFP	KRW 1,942	First trial in progress
Environment Management Corporation Co., Ltd.	Siheung City and others	Claim related to settlement of operating and management expenses and others	KRW 24,257	Second trial in progress
SamKang M&T Co., Ltd.	Green ST Co., Ltd. and others	Claim for transfer corporeal movables and others	KRW 607	First trial in progress
Green Environment Technology Co., Ltd.	Da Moa Machinery and others	Claim related to balance Of machine sales	KRW 40	Second trial in progress

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31. Commitments and contingencies (cont'd)

The Group's significant pending litigations as of September 30, 2022, in which the Group is a defendant are as follows (Korean won in millions):

Defendant	Plaintiff	Description	Claim	Status
SK Shieldus Co., Ltd.	Individual and others	Claim for damages and others	KRW 1,171	Second trial in progress and others
SK Broadband Co., Ltd.	Individual and others	Claim for damages and others	KRW 9,615	Second trial in progress and others
SK Telecom Co., Ltd.	Individual and others	Claim for damages and others	KRW 7,476	Third trial in progress and others
SK Communications Co., Ltd.	Individual and others	Claim for confirmation of the Invalidity of dismissal and others	KRW 54	Second trial in progress and others
SK M&SERVICE CO.,LTD.	Individual and others	Claim for confirmation of the Invalidity of dismissal and others	KRW 50	Second trial in progress
SK Networks Co., Ltd.	Individual and others	Claim for damages and others	KRW 3,681	Second trial in progress and others
SK Magic Co., Ltd.	Individual and others	Claim for confirmation of the scope of trademark rights and others	KRW 196	Second trial in progress and others
SK Rent-a-Car Co., Ltd.	Individual and others	Claim for compensation and others	KRW 1,305	Second trial in progress and others
SKC Co., Ltd.	Individual	Claim for damages	KRW 15	First trial in progress
SK Nexilis Co., Ltd.	Individual and others	Claim for damages	KRW 3,404	First trial in progress
Ko-one Energy Service Co., Ltd.	Korea Land & Housing corporation	Claim for cancellation of allotted charges	KRW 1,286	Second trial in progress
Busan City Gas Co., Ltd.	HDC-labs Co., Ltd.	Claim for payment of construction	KRW 534	First trial in progress
Chungcheong energy Service Co., Ltd.	Korea Land & Housing corporation	Claim for cancellation of allotted charges and others	KRW 1,104	Second trial in progress
Narae energy service Co., Ltd.	Korea Electric Power Corporation	Claim for Contract amount reduction confirmation	KRW 2,694	First trial in progress
SK Ecoplant Co., Ltd.	K-Water Resources Corporation	Claim for design compensation cost return and others	KRW 3,004	Third trial in progress
	Incheon Metropolitan City	Claim for design compensation cost return and others	KRW 7,804	Third trial in progress and others
	Hanwha Engineering & Construction Corp.	Claim for cost share	KRW 5,087	First trial in progress
	Suwon Sky View resident's representative and others	Claim for damages and others	KRW 14,687	Second trial in progress and others
	Individual and others	Claim for damages and others	KRW 148,235	Third trial in progress and others
	Korea Gas Corporation	Claim for damages (LNG tank)	KRW 9,050	First trial in progress
	Republic of Korea	Claim for damages and others	KRW 5,326	First trial in progress and others
Environment Management Corporation Co., Ltd.	Siheung City and others	Claim for damage and others	KRW 28,244	First trial in progress
SamKang M&T Co., Ltd.	AT Co., Ltd. and others	Claim for payment of construction	KRW 4,631	Second trial in progress and others
Green Environment	Daesang Co., Ltd. and others	Claim for payment of construction	KRW 253	Second trial in progress and others

On May 15, 2021, SK Innovation Co., Ltd., a subsidiary of the Group, LG Chem Co., Ltd. and LG Energy Solution Co., Ltd., which split-off from LG Chem Co., Ltd. agreed to withdraw all domestic and foreign disputes, be exempt from all related obligations, prohibit similar or identical disputes for 10 years, and permanent licenses for trade secrets and patents. Accordingly, ₩1 trillion in cash throughout 2021 and 2022 and royalties up to ₩1 trillion corresponding to a certain percentage of sales from 2023 will be paid to LG Energy Solution Ltd. Of the amount to be paid to LG Energy Solutions Co., Ltd., 1 trillion won in cash is reflected as non-operating expenses in the consolidated financial statements as of December 31, 2021, and royalties will be expensed at the time of payment.

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 Trading International 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. The case is currently in progress, and the duration and final outcome are not estimable at the moment. Since May 6, 2020, end-users of gasoline have filed a number of collective lawsuits in California federal court. The duration and final outcome thereof are also not estimable at the moment.

31. Commitments and contingencies (cont'd)

E&P business in 8th block of Peru, a subsidiary of SK Innovation Co., 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 for the year ended December 31, 2021 and the Peruvian Environmental Assessment and Supervision Authority (OEFA) fined the operator related to the restoration of the workplace and environmental pollution charge for the year ended December 31, 2021. Accordingly, SK Innovation Co., Ltd. paid expenses of ₩1,527 million and ₩1,611 million for the year ended December 31, 2021 and the nine-month period ended September 30, 2022, respectively, upon request of the operator which were accounted as non-operating expenses.

The Perupetro S.A. has filed international proceedings with the International Chamber of Commerce against the parties to the mining contract, including 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.

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 September 30, 2022, 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, during the prior period, 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 Group paid PI Advanced Materials Co., Ltd. USD 7,836 thousand which is 50% of USD 15,671 thousand in damages. Based on the final results of litigation, the Group may have to pay more according to the ratio as specified by the payment arrangement. As of September 30, 2022, the final result of trial 1 and the timing of payment of compensation for damage are not estimable.

31. Commitments and contingencies (cont'd)

(4) Commitments

- 1) In accordance with the Commercial Code of the Republic of Korea, the Company, SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd., SK Lubricants Co., Ltd., SK Incheon Petrochem Co., Ltd., SK Trading International 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 Company 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 we have 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 at fair prices when selling the building.
- 3) The Company holds IT outsourcing and IT system maintenance agreements to provide hardware and information systems maintenance and development service entered into between the Company and SK Group companies and others.
- 4) The Company entered into a contract with Gyeonggi province on May 31, 2011 to purchase land located in Pangyo Land Development District. The total agreement amount is ₩82,964 million (the Company's portion: ₩45,536 million (54.9%)), which will be used for the construction of urban infrastructure facilities ("designated purpose" of the land). The contract includes requirements to be complied with and restrictions in transfer of ownership of the land. Should there be non-compliance, the contract may be terminated or cancelled.

31. Commitments and contingencies (cont'd)

- 5) The Company has total return swap contracts in regard to SK Shipping Co., Ltd.'s issuance of ordinary shares and sale of existing shares, and details are as follows:

Description	Subscription of new shares	Sale of existing shares
Investor	Special Situation 1 st Fund	Corporate Turnaround 1 st Fund
Number of shares	6,548,672	4,808,259
Contract date	April 11, 2017	May 11, 2017
Expiry date	April 10, 2022	May 10, 2022
Settlement	The Company and the investor make a cash settlement of the amount that deducts the issue price from the net selling price. If the amount is positive, the investor pays to the Company, and if the amount is negative, the Company 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 Company pays to the investor the amount equivalent to 3.14% of the total shares held by the investor annually. When the investor receives dividends on the shares held, the amount is paid to the Company.	
Call option	The Company has the right to purchase the shares held by the investor at the issued price of the ordinary shares with certain level of additional charges.	

As of March 30, 2022, the Company signed an agreement to changes in total profit swap including extension of expiry date, etc. with the investor of the common stock above. The changes are effective from the termination date of investment (expiry date of the existing agreement). The main details of the changes to the agreement are as follows:

Description	Subscription of new shares	Sale of existing shares
Investor	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 12, 2027	May 10, 2027
Settlement	The Company and the investor make a cash settlement of the amount that deducts the issue price from the net selling price. If the amount is positive, the investor pays to the Company, and if the amount is negative, the Company 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 Company pays to the investor the amount equivalent to 3.899% of the total shares held by the investor quarterly. When the investor receives dividends on the shares held, the amount is paid to the Company.	
Call option	On every first year between the end of the investment and the expiration date, the Company has the right to purchase the shares held by the investor at the contract price of the ordinary shares with certain level of additional charges.	

31. Commitments and contingencies (cont'd)

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

Description	Total return swap
Investor	Warmachine Sixth Co., Ltd. and others
Number of shares	13,140,440
Contract date	August 25, 2017
Expiry date	August 24, 2022
Settlement	The Company and the investors are to settle the amount that deducts the issue price from the net selling price. If the amount is positive, the investor pays to the Company, and if the amount is negative, the Company 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 Company is to pay 0.5% of the initial contract amount at the closing date of the transaction and pay to the investor the amount equivalent to 3.20% of the total shares held by the investors annually. When the investor receives dividends on the shares held, the amount is paid to the Company.
Call option	On a three-month basis from the closing date of sale (“the quarterly payment day”), the Company 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 August 16, 2022, the Company signed an agreement to changes in total profit swap including extension of expiry date, etc. with the investor of the common stock above. The changes are effective from August 30, 2022(effective date of contract). The main details of the changes to the agreement are as follows:

Description	Total return swap contracts
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 Company and the investors settle the amount that deducts the issue price from the net selling price in cash. If the amount is positive, the investor shall pay to the Company, and if the amount is negative, the Company shall pay to the investor. In case where the sale is not complete, the selling price of the shares is considered to be 0.
Premium	The Company shall pay 0.5% of the initial contract amount within 5 operating day from the effective date of contract and shall pay to the investors the amount equivalent to 4.948% of the total shares held by investors on a three-month basis. When the investor receives dividends on the shares held, the amount shall be paid to the Company.
Call option	On a three-month basis from the effective date of contract (“the quarterly payment day”), the Company has the right to purchase the shares held by the investors at the initial contract price of the ordinary shares with certain level of additional charges.

As of September 30, 2022, the value of the agreements amounting to ₩169,131 million is recognized in long-term borrowings (see Note 15).

31. Commitments and contingencies (cont'd)

7) The Group entered into total return swap contracts with ordinary shareholders of SK E&S Co., Ltd., one of the subsidiaries. Details are as follows:

Description	Total return swap
Investor	MD Prime 1st Co., Ltd.
Number of shares	4,640,199
Contract date	November 14, 2017
Expiry date	November 13, 2022
Settlement	The Company and the investors are to settle the amount that deducts the issue price from the net selling price. If the amount is positive, the investor pays to the Company, and if the amount is negative, the Company 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 Company is to pay to the investor the amount equivalent to 3.07% of the total shares held by the investors annually. When the investor receives dividends on the shares held, the amount is paid to the Company.
Call option	The Company may make a purchase request in the amount of common shares held by the investor plus a certain amount on every premium payment date and every quarterly payment date between the date of the board's resolution to select the IPO organizer and the date of submission of a preliminary listing review.

As of September 30, 2022, the value of the agreements amounting to ₩677,775 million is recognized in current portion of long-term borrowings (see Note 15).

31. Commitments and contingencies (cont'd)

- 8) The Company entered into a cash deficiency support agreement with Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc., to lend funds for the shortfall of payment for loans and credit limit of USD 226,000 thousand.
- 9) The Company entered into a cash deficiency support agreement with Abrasax Investment Inc., a subsidiary of SK Pharmteco Inc. (formerly, Alchemy Acquisition Corp.), to lend funds for the shortfall of payment for loans and credit of up to USD 315,000 thousand.
- 10) The Company has a shareholder-to-share agreement with Showa Denko K.K. in relation to the investment of subsidiary SK Showa Denko Co., Ltd., and Showa Denko K.K. has the right to sell 630,000 shares (15%) of SK Showa Denko Co., Ltd. at ₩ 5,000 per share in the event of a specific case of this agreement.
- 11) The Company have signed a contract between shareholders that allows certain shareholders to sell their shares to us for ₩50,000 per share if certain conditions are met for shares held by certain shareholders of its subsidiary SK Signet Co., Ltd.
- 12) As of September 30, 2022, Prism Energy International Pte., Ltd., a subsidiary, provides LOU (Letter of Understanding) to ship owners HHIENS1 Shipholding S.A., HHIENS2 Shipholding S.A., HHIENS3 Shipholding S.A. and HHIENS4 Shipholding S.A. in connection with LNG carriers. Accordingly, if SK Shipping Co., Ltd. fails to fulfill the contract (BBCHP) signed with the shipping Company, SK E&S Co., Ltd. will assume all obligations related to the execution of the contract.
- 13) LAI LNG, LLC, one of the subsidiaries, 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 2019. As of September 30, 2022, SK E&S Co., Ltd., one of the subsidiaries, is responsible for performance guarantee in case of LAI LNG, LLC's inability to make payments for service or for claims against breach of obligation. In regard to this, the Company provides performance guarantee for SK E&S Co., Ltd.'s guarantee.
- 14) As of September 30, 2022, details of contracts of the subsidiaries of SK E&S Co., Ltd. are as follows:

Contracting parties	Description of contract	Counterparty	Term of contract
Kangwon City Gas Co., Ltd. and 7 subsidiaries	Contract for the supply of long-term natural gas (*1)	Korea Gas Corporation Co., Ltd.	-
SK E&S Co., Ltd.	Contract of supply for natural gas	Tanggung PSC Contractor Parties	2006.1 ~ 2026.7
	Contract for the repair and maintenance of gas turbine	GE International Inc.	2004.6 ~ 2026.12 (estimated)
	Contract for the storage and vaporization service of natural gas	POSCO ENERGY Co., Ltd.	2005.6 ~ 2025.12 2020.7 ~ 2040.12
	Rental contract of the plant and tower site	POSCO Co., Ltd.	2003.8 ~ 2028.12
	Contract for the REC trading	Godeok Green Energy Co., Ltd. and others	20 years from contract
Paju Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	2014.6 ~ 2031.6 (estimated)
	Contract for the REC trading	GeoGeum Solar Park Co., Ltd. and others	15 years from 2018
	Contract for LTSA	Doosan Fuelcell Co., Ltd.	10 years from performance warranty date
Narae Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	2015.1 ~ 2032.1 (estimated)
	Contract for the long-term maintenance program	Doosan Enerbility Co., Ltd. (formerly, Doosan Heavy Industries & Construction Co., Ltd.)	12 years from 2012
	Contract for the operation and Maintenance program	Jeonbuk Group Energy Co., Ltd. and Gimcheon Energy Service Co., Ltd.	2015.1 ~ 2025.1
	Contract for the supply of long-term natural gas	Korea Gas Corporation Co., Ltd.	20 years from 2015.5
	Contract for the REC trading	K Solar E Ho Co., Ltd. and others	20 years from contract
Narae Energy Service Co., Ltd. and Paju Energy Service Co., Ltd.	Contract for the use plumbing system	Korea Gas Corporation Co., Ltd.	20 years from 2017
SK E&S Co., Ltd. and Narae Energy Service Co., Ltd. and Paju Energy Service Co., Ltd.	Contract for the storage and vaporization service of natural gas	Boryeong LNG Terminal Co., Ltd.	20 years from 2017

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31. Commitments and contingencies (cont'd)

<u>Contracting parties</u>	<u>Description of contract</u>	<u>Counterparty</u>	<u>Term of contract</u>
Yeoju Energy Service Co., Ltd.	Integrated Environmental Management Licensing Service Contract for LTSA	SK Eco Engineering Co., Ltd. (*2) Siemens Gas & Power GmbH Siemens Energy Ltd.	2019.1 ~ 2023.10 2019.12 ~ 2047.12 (estimated)
Busan City Gas Co., Ltd. LAI LNG, LLC	Rental contract Contract for the liquefaction and storage of natural gas Contract for the use pipeline of natural gas	Megamart Co., Ltd. and others FLNG Liquefaction 3, LLC Kinder Morgan, Inc.	Until 2022.07.25 20 years from 2020 20 years from 2020
Prism Energy International Pte. Ltd.	Contract of supply for natural gas Time charter contract	SHELL EASTERN TRADING PTE LTD and others SK Shipping Co., Ltd.	2019.6 ~ 2033.3 20 years from ship delivery date
SK E&S Australia Pty. Ltd.	Contract of supply for LNG Contract for FPSO	Generadora San Felipe Limited Partnership BW Offshore Singapore Pte. Ltd. (Australia Branch)	10 years from commencement date 15 years from service date
	Contract for the liquefaction service of natural gas	Darwin LNG Pty. Ltd. and others	2020.12 (contract) 15 years from service date (estimated)
Prism Energy International Zhoushan Limited	Contract for the storage and vaporization service of natural gas	ENN (Zhoushan) LNG Co., Ltd.	2020.7 ~ 2030.7

(*1) The Company has signed a contract with Korea Gas Corporation for natural gas supply for 20 years.

(*2) During the current period, SK Eco Engineering Co., Ltd. comprehensively succeeded to the contractual status with the consolidated entity and the rights and obligations accordingly through the division and merger of SK Ecoplant Co., Ltd.

15) As of September 30, 2022, details of construction contracts about the subsidiaries of SK E&S Co., Ltd. are as follows (Korean won in millions):

<u>Description of contract</u>	<u>Name of subsidiaries</u>	<u>Contract opponent</u>	<u>Term of contract</u>	<u>Amount</u>
Contract for heat piping and others	Narae Energy Service Co., Ltd.	Eulmyo general construction Co., Ltd. and others	2021.02 ~ 2023.06	₩ 5,316
Yeoju natural gas power Plant EPC contract (*1)	Yeoju Energy Service Co., Ltd.	SK Eco Engineering Co., Ltd. (*2)	2019.12 ~ 2022.07	₩ 664,091
By-product hydrogen liquefaction Plant EPC contract (*1)	IGE Co., Ltd.	SK Eco Engineering Co., Ltd. (*2)	2021.07 ~ completion	₩ 444,950

(*1) For the purpose of performing the contract, Yeoju Energy Service Co., Ltd. received blank checks from SK Eco Engineering Co., Ltd.

(*2) During the current period, SK Eco Engineering Co., Ltd. comprehensively succeeded to the contractual status with the consolidated entity and the rights and obligations accordingly through the division and merger of SK Ecoplant Co., Ltd.

16) As of September 30, 2022, details of material contracts of resource development by the subsidiaries of SK E&S Co., Ltd. are as follows:

<u>Description of contract</u>	<u>Name of subsidiaries</u>	<u>Counterparty</u>	<u>Equity ownership</u>
Barossa-Caldita, Australia	SK E&S Australia Pty. Ltd.	Santos NA Barossa Pty. Ltd.	37.5%
Woodford, USA	Dew Blaine Energy, LLC	Continental Resources, Inc.	49.9%
East Timor Bayu-Undan gas field and pipeline asset	BU12 Australia Pty. Ltd. BU13 Australia Pty. Ltd. SK E&S Australia Pty. Ltd. Prism DLNG Pte. Ltd.	Santos NA Darwin Pipeline Pty. Ltd. and others	25.0%

17) SK E&S Co., Ltd., a subsidiary of the Group, has agreed to invest a total of ₩10 billion in the Tcha Partners Asset Management Co., Ltd. for hydrogen business cooperation, and has completed 69.22% of the total investment agreement.

18) SK Energy Co., Ltd., SK Incheon Petrochem Co., Ltd., SK On Co., Ltd. and SK Geo Centric Co., Ltd., subsidiaries of the Group, pay electricity bills and tariffs through B2B corporate agreement contracts and national tax cards signed with some financial institutions, and pay the bill to the credit card Company at the end of the credit donation period under the agreement. As of September 30, 2022, the related payables and accrued expenses are ₩1,732,801 million, which are classified as current liabilities.

31. Commitments and contingencies (cont'd)

- 19) SK Energy Co., Ltd., a subsidiary of the Group, signed an option contract regarding the shares of ordinary stocks held by non-controlling shareholders of goodsFLOW Co., Ltd. The terms of the contract for this option are as follows:

Description	Put option	Call option	Call option
Purpose of Contract	Acquisition of equity	SK Energy Co., Ltd.	SK Energy Co., Ltd.
Option rights holder	Tae-jin Jung, Byung-wook Oh and others	Tae-jin Jung, Byung-wook Oh and others	Hanyu Energy Co., Ltd. and others
Option obligor	SK Energy Co., Ltd.		
Payment method	Cash		
Object of exercise	A total of 1,014,362 shares (43.83%) of goodsFLOW Co., Ltd.'s shares held by Tae-jin Jung, Byung-wook Oh, shareholders of goodsFLOW Co., Ltd.		A total of 351,076 shares (15.17%) of goodsFLOW Co., Ltd.'s shares held by Hanyu Energy Co., Ltd., shareholders of goodsFLOW Co., Ltd.
Time of exercise	The date on which three years have elapsed from January 31, 2021 or the date agreed between the parties, whichever is earlier		
Price of exercise	Price per share ₩33,553		Fair value at the time of exercise of the call option.

- 20) SK Innovation Co., Ltd., a subsidiary of the Group, sold its holdings (40%) of SK Lubricants Co., Ltd., a subsidiary of the Group to Eco Solution Holdings Co., Ltd. (the "investor") on July 30, 2021. The shareholder agreement between the Investor and SK Innovation Co., Ltd., the largest shareholder of SK Lubricants 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.

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
Dividend policy decision-making right	Failure of IPO within the agreed period (5 years)	The right to make decisions on dividend policies within
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 the investors shares to the largest shareholder at an amount calculated by applying 10% annual interest rate based on IRR for the investment principal (₩1,091,948 million).

31. Commitments and contingencies (cont'd)

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 KIFRS 1032, and the amount of bonds and financial liabilities set off as of the end of the current year is USD 2,716 million, and the book value after offset is ₩0.

- 21) SK Telecom Co., Ltd., a subsidiary of the Group, sells its mobile handsets to customers on an installment payment plan through agents. SK Telecom Co., Ltd. entered into transfer agreements with the agents for the receivables of handset's installment payments, under which all the rights and obligations of the receivables are transferred to SK Telecom Co., Ltd. Then, SK Telecom Co., Ltd. entered into an asset securitization contract with a special purpose Company for the receivables, and accordingly, the balance of the receivables which is recorded as other receivables and long-term other receivables as of September 30, 2022 and December 31, 2021 is ₩401,940 million and ₩493,277 million, respectively.
- 22) SK Telecom Co., Ltd., a subsidiary, decided to purchase and sell shares to strengthen strategic cooperation with Hana Financial Group at its board of directors meeting on July 22, 2022. According to the resolution, on July 27, 2022, SK Telecom Co., Ltd. sold all of Hana Card Co., Ltd.'s common shares (39,902,323 shares) and Finnq Inc.'s common shares (6,370,000 shares) to Hana Financial Group Inc. for KRW 330,032 million and KRW 5,733 million, respectively. By the agreement with Hana Financial Group Inc., SK Telecom Co., Ltd. is obligated to purchase Hana Financial Group Inc.'s common shares from July 27, 2022 to January 31, 2024, after depositing KRW 330,032 million in a specific money trust. As part of the above transaction, SK Telecom Co., Ltd. sold all of its common shares (767,011 shares) in SK Square to Hana Card Co., Ltd. for KRW 31,563 million on July 27, 2022, and Hana Card Co., Ltd. is obligated to purchase SK Telecom Co., Ltd.'s common shares from July 27, 2022 to January 31, 2024 after depositing KRW 68,437 million in a specific money trust. The shares acquired by SK Telecom Co., Ltd., Hana Financial Group Inc. and Hana Card Co., Ltd. cannot be sold until the end of March 2025.
- 23) SK Siltron Co., Ltd., a subsidiary, acquired redeemable convertible preferred shares from Korea Credit Guarantee Fund for the current period in connection with the acquisition of shares in Terraon Co., Ltd., a subsidiary investment. Depending on the nature of the financial instrument, the Group has the option to convert 9,740 shares of Terraon Co., Ltd. into common shares, and the duration is 10 years from the date of issuance and can be exercised until November 18, 2030.
- 24) SK ecoplant Co., Ltd., a subsidiary, settles the trade payables arising from main business activities by the arrangement for corporate purchase only card entered into with some financial institutions, and the payment is made to the credit card company at the end of the credit offering period. As of September 30, 2022, there are no related outstanding payables.
- 25) In February 2019, SK Biopharmaceuticals Co., Ltd., a subsidiary, signed a technology transfer contract with the European-based entity, Arvelle Therapeutics International GmbH (formerly Arvelle Therapeutics GmbH), in order to grant the exclusive rights of Cenobamate, an epilepsy treatment, in Europe. At the time of signing the technology transfer contract, SK Biopharmaceuticals Co., Ltd. received an Upfront Payment of USD 100,000,000 and recognized as a profit at the time of the receipt. In addition, in March 2021, the Milestone Payment of USD 110,000,000 was recognized as a profit at the time of notification of the permit in accordance with the marketing permission of European regulators (March 30, 2021). When the terms under the agreement are fulfilled in future periods, additional Milestone Payment of up to USD 320,000,000 will be recognized.

31. Commitments and contingencies (cont'd)

In February 2021, SK Biopharmaceuticals Co., Ltd., a subsidiary, sold all of its 12% ownership of Arvelle Therapeutics B.V.'s common shares to Angelini Pharma S.p.A. and received USD 31,766,890 in return for the closing of the transaction. The amount was recognized as non-operating income at the time of receipt. In addition, in March 2021, the Approval Payment of USD 13,220,625 was recognized as non-operating income at the time of notification of the permit (March 30, 2021). When the terms under the agreement are fulfilled in future periods, up to USD 9,252,177 can be additionally recognized as non-operating income. However, the amount of non-operating income that can be received may change depending on certain conditions.

In October 2020, SK Biopharmaceuticals Co., Ltd. signed a technology transfer contract with Ono Pharmaceutical Co., Ltd., an entity located in Japan, in order to grant the exclusive rights of Cenobamate in Japan and received an upfront payment of JPY 5,000,000,000. The upfront payment is recognized as a profit by allocating the amount in a reasonable way according to the contract. When the rights are approved by the Japanese regulator and succeed in commercializing in the future, SK Biopharmaceuticals Co., Ltd. will recognize the Milestone Payments of up to JPY 48,100,000,000 as a profit.

- 26) During November 2021, SK Biopharm Co., Ltd., a subsidiary, signed a license agreement to grant commercialization rights for nine new drugs, including Ignis Therapeutics and Cenobamate in the Cayman Islands (China, Hong Kong, Macau, Taiwan), and received USD 20,000,000 in cash and 150 million preferred shares (USD 150,000,000). In the case of the down payment, the intellectual property right transfer fee and the clinical trial obligation were allocated, and the intellectual property right recognizes revenue at once with the license, and the completion of the service over the expected period of service. In the event licensing and commercialization is achieved, up to USD 15,000,000 Milestone Payment and Royalty Payment may be recognized.

In addition, during December 2021, a technology transfer agreement with Endo Ventures Limited was entered into in Canada to grant exclusive rights of Cenobamate in Canada and a down payment of USD 20,000,000 was received. The down payment was recognized as revenue at the same time as the right-of-use for intellectual property rights, and the maximum amount of milestone payment of CAD 21,000,000 may be recognized as revenue under the permission and commercialization of Canadian regulators in the future.

- 27) SK Biopharmaceuticals Co., Ltd., a subsidiary, signed a technology transfer contract with DEXCEL LTD. in Israel in May 2022 to grant exclusive rights of Cenobamate in Israel and Palestine (West bank, including Gaza district), and received a deposit of USD 3,000,000 (Upfront Payment), which has been allocated to the transfer consideration of intellectual property right and performance obligation of supplying semi-finished product at no cost. Revenue will be recognized for intellectual property right as right-of-use asset at a point in time and the revenue for semi-finished product will be recognized at the time of supply.

In addition, in July 2022, SK Biopharmaceuticals Co., Ltd., a subsidiary, signed a technology transfer agreement with Eurofarma Laboratorios S.A. based in Brazil to grant exclusive rights of Cenobamate in 17 Latin American countries, including Brazil and Mexico, and received an upfront payment of USD 15,000,000. The upfront payment has been recognized at a point in time, considering the right-of-use for the intellectual property rights. In the future, Milestone Payments of up to USD 47,000,000 shall be recognized as revenue if the terms of the agreement are satisfied, such as permission by regulators and commercialization in Brazil and Mexico.

- 28) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a limited partner in the LifeSci Venture Partners Fund in the United States. Of the total contract amount of USD 12,000,000, USD 8,926,355 has been invested by the end of September 30, 2022 (Cash investment of USD 7,781,455, revenue distribution reinvestment of USD 1,144,900), and the remaining contract amount of USD 3,073,645 will be invested by the end of September 30, 2022.

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31. Commitments and contingencies (cont'd)

(5) Hybrid bonds

Details of hybrid bonds as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

Issue segment	Description	Issue date	Maturity date (*1)	Interest rate (%) (*2)	For the nine-months ended	
					September 30, 2022	December 31, 2021
Group of SK Innovation	1st private equity bond type	2019.03.15	2049.03.15	4.20	₩ 600,000	₩ 600,000
Group of SK Telecom	2-1 private equity bond type	2018.06.07	2078.06.07	3.70	300,000	300,000
	2-2 private equity bond type	2018.06.07	2078.06.07	3.65	100,000	100,000
Group of SK E&S	2nd Korean currency type	2019.10.11	2049.10.11	3.30	330,000	330,000
	3rd Korean currency type	2020.07.14	2050.07.14	3.60	400,000	400,000

(*1) The issuing company may decide on early repayment and extension of maturity date when certain period is lapsed.

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

(6) Others

As of September 30, 2022, 44 notes (including 41 blank notes) and 75 checks (including 74 blank checks) are provided to financial institutions as collateral for borrowings.

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32. Pledged assets

The following assets were pledged as collateral for the Group's borrowings and others as of September 30, 2022 (Korean won in millions and foreign currencies in thousands):

Company	Asset	Currency	amount (*1)	Provided to	Description
SK Innovation Co., Ltd.	Investments in associates	KRW	-	Yemen LNG Company and others	Collateral for project financing
Netruck Co., Ltd.	Property, plant and equipment	KRW	4,500	Shinhan Bank	Collateral for borrowing
Won Poll Co., Ltd.	Property, plant and equipment	KRW	3,360	Shinhan Bank	Collateral for borrowing
	Financial instruction	KRW	430	Shinhan Bank	Collateral for borrowing
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	1,513	Lessor	Restricted real rights for office lease
Panasia Semiconductor Materials, LLC	Investment securities	KRW	21,072	Hana Securities Co., Ltd. and others	Collateral for borrowing
Incross Co., Ltd.	Financial instruction	KRW	25,021	Naver Co., Ltd. and others	Performance guarantees for contract
One store Co., Ltd.	Investment property and others	KRW	612	Shinhan Bank	Collateral for borrowing
SK Networks Co., Ltd.	Property, plant and equipment	KRW	391,983	Korea Development Bank and others	Collateral for sales and others
SK Magic Co., Ltd.	Property, plant and equipment	KRW	96,000	Korea Development Bank and others	Collateral for borrowing
SK Rent-a-Car Co., Ltd.	Property, plant and equipment	KRW	312,393	Korea Development Bank and others	Collateral for borrowing
	Financial instruction	KRW	300	Kodit 2022 the 5 th Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	300	Kodit Global 2022-1 Co., Ltd.	Collateral for borrowing
SKC Solmics Co., Ltd.	Property, plant and equipment	KRW	91,100	Korea Development Bank and others	Collateral for borrowing
SK pucore Co., Ltd.	Property, plant and equipment	KRW	96,160	Korea Development Bank	Collateral for borrowing
SKCFTH Co., Ltd.	Investment subsidiaries	KRW	690,000	Korea Development Bank and others	Collateral for stock
SK Nexilis Co., Ltd.	Property, plant and equipment	KRW	396,000	Korea Development Bank and others	Collateral for borrowing
	Investment subsidiaries	KRW	99,920	Korea Development Bank	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	31,631	Korea Development Bank and others	Collateral for borrowing
SKC, Inc.	Property, plant and equipment	KRW	100,436	Standard Chartered Bank	Collateral for borrowing
SK E&S Co., Ltd.	Investments in subsidiaries	KRW	300,000	Korea Development Bank and others	Collateral for PF
		VND	1,059,599,930	Joint Stock Commercial Bank For Foreign Trade of Vietnam	Collateral for PF
	Investments in joint ventures	KRW	150,319	Korea Development Bank and others	Collateral for PF
		USD	14,000	BANGKOK BANK PUBLIC COMPANY LIMITED	Collateral for PF
	Investments in associates	KRW	18,621	Industrial Bank of Korea and others	Collateral for PF
Godeok Clean Energy Co., Ltd.	Investments in associates	KRW	2,711	Kookmin Bank and others	Collateral for PF
Busan Green Energy Co., Ltd.	Investments in associates	KRW	5,645	Shinhan Bank and others	Collateral for PF
Busan City Gas Co., Ltd.	Investment property	KRW	3,990	Megamart Co., Ltd. and others	Collateral for deposit
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	360,000	Kookmin Bank and others	Collateral for borrowing
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	81	LG Hello Vision Co., Ltd.	Collateral for deposit received
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	KRW	601,200	Korea Development Bank and others	Collateral for PF
Busan Jungkwan Energy Co., Ltd.	Property, plant and equipment	KRW	100,800	NH Bank and others	Collateral for borrowing
IGE Co., Ltd.	Property, plant and equipment	KRW	24,000	Korea Development Bank	Collateral for borrowing
Key Capture Energy, LLC.	Financial instruction	USD	96,390	RABOBANK and others	Collateral for service use
SK Ecoplant Co., Ltd.	Investment securities and others	KRW	152,379	CAPE Investment & Securities Co., Ltd. and others	Collateral for borrowing and others
	Investment property	KRW	886,297	Korea Development Bank and others	Collateral for borrowing
Seongju Tech Co., Ltd.	Property, plant and equipment	KRW	10,206	Woori Bank	Collateral for borrowing
DDS Co., Ltd.	Property, plant and equipment	KRW	3,000	Korea Development Bank	Collateral for borrowing
Daewon Green Energy Co., Ltd.	Property, plant and equipment	KRW	5,280	Korea Development Bank	Collateral for borrowing
Green Environment Technology Co., Ltd.	Property, plant and equipment	KRW	9,600	Korea Development Bank	Collateral for borrowing
DY Indus Co., Ltd.	Property, plant and equipment	KRW	6,222	Industrial Bank of Korea	Collateral for borrowing
DY Polymer Co., Ltd.	Property, plant and equipment	KRW	3,800	Industrial Bank of Korea	Collateral for borrowing
SamKang M&T Co., Ltd.	Property, plant and equipment	KRW	360,548	Industrial Bank of Korea and others	Collateral for borrowing
	Financial instruction	KRW	9,000	Industrial Bank of Korea and others	Collateral for borrowing
	Financial instruction	USD	555	Shinhan Bank and others	Collateral for guarantee and others
	Debt instrument	KRW	5,391	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	122,029	Shinhan Bank and others	Insurance pledge and others
Environment Management Corporation Co., Ltd	Property, plant and equipment	KRW	33,973	KEB Hana Bank and others	Collateral for borrowing
	Investments in subsidiaries	KRW	529,311	KEB Hana Bank and others	Collateral for borrowing
	Investment securities	KRW	10,140	Korea Development Bank and others	Collateral for borrowing
	Others	KRW	1,484,777	KEB Hana Bank and others	Establishing pledge and others

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32. Pledged assets (cont'd)

Company	Asset	Currency	amount (*1)	Provided to	Description
Eco Frontier (Singapore) Pte. Ltd.	Financial instruction	SGD	5,838	Maybank, CIMB, HSBC, Hua Nan Bank, ANZ Banking Group and others	Collateral for bank guarantee
	Property, plant and equipment	EUR	3,833	Sparkasse Vest Recklinghausen, Royal Bank of Scotland, Banco Santander and others	Collateral for borrowing
		SGD	20,390	Maybank	Collateral for borrowing
		THB	1,290	Bangkok Bank Public Co., Ltd.	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Others	CNY	2,000,000	Bank of China communications	Collateral for borrowing
SK Specialty Co., Ltd.	Property, plant and equipment	KRW	137,000	Korea Development Bank	Collateral for borrowing
		USD	3,500	Korea Development Bank	Collateral for borrowing
		JPY	3,690,000	Korea Development Bank	Collateral for borrowing
		KRW	1,668	Yeongju city and Gyeongsang Buk-do	Government subsidy
	Financial instruction	KRW	60	Kodit 2022 the 9th Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	75	Kodit 2022 the 10th Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	165	Kodit Global 2022-1 Co., Ltd.	Collateral for borrowing
SK Specialty Japan Co., Ltd.	Property, plant and equipment	JPY	315,000	MUFG Bank	Collateral for borrowing
SK Materials Airplus Inc.	Property, plant and equipment	KRW	684,000	Korea Development Bank and others	Collateral for borrowing
SK Tri Chem Co., Ltd.	Property, plant and equipment	KRW	3,692	Sejong City	Local investment promotion subsidy support collateral
SK Showa Denko Co., Ltd.	Property, plant and equipment	KRW	30,000	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment	KRW	539,805	Korea Development Bank and others	Collateral for borrowing
SK Biotech Co., Ltd.	Property, plant and equipment	KRW	90,000	Korea Development Bank	Collateral for borrowing
Hweechan Co., Ltd.	Property, plant and equipment	KRW	13,440	KEB Hana Bank	Collateral for borrowing
SK REITs Co., Ltd.	Investment property	KRW	1,147,466	The lender and the lessor	Collateral for borrowing and security deposit
Clean Energy REITs Co., Ltd.	Investment property	KRW	572,314	The lender and the lessor	Collateral for borrowing and security deposit
SK China Company, Ltd.	Others	USD	2,600	Kookmin Bank (Beijing)	Collateral for Subsidiary stake sale
SK South East Asia Investment Pte. Ltd.	Property, plant and equipment and others	VND	249,411,086	ADB and Vietcombank	Collateral for borrowing and others
YES POWERTECHNIX	Property, plant and equipment	KRW	1,320	Industrial Bank of Korea	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	8,221	Korea Development Bank	Collateral for borrowing

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

SK Sheildus Co., Ltd., a subsidiary, provides its shares in Capstec Co., Ltd. as collateral for its long-term borrowing of ₩1,704,601 million.

T-map Mobility Co., Ltd., a subsidiary, has signed a stock pledge establishment contract with the seller in connection with the acquisition of common shares of Seoul Airbus Co., Ltd. The seller has established the shares equivalent to 20% of the total number of shares issued by Seoul Airbus Co., Ltd. as the first priority in order to secure all debts to be borne in the future under Tmap Mobility Co., Ltd.'s stock trading contract and shareholder contract.

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33. Guarantees provided among the Group entities

Guarantees provided among the Group entities as of September 30, 2022 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantor	Guarantee	Currency	Amount	Description of guarantee
SK Inc.	Abrasax Investment Inc.	USD	315,000	Cash deficiency support of debt
	Hudson Energy NY, LLC	USD	226,000	Cash deficiency support of debt
SK Innovation Co., Ltd.	SK Battery America, Inc.	USD	1,670,000	Guarantee of debt
	SK On Hungary Kft.	USD	250,000	Guarantee of debt
	SK Hi-tech Battery Materials (Jiangsu) Co., Ltd.	USD	50,000	Guarantee of debt
	SK Hi-Tech Battery Materials Poland Sp. Zo.o.	CNY	500,000	Guarantee of debt
	SK Battery Manufacturing Kft.	USD	130,000	Guarantee of debt
		USD	500,000	Guarantee of debt
	Blue Oval SK, LLC and others	HUF	34,194,000	Guarantee of local factory construction
		USD	6,600,000	Performance guarantees for invest
		USD	7,000,000	Performance guarantees for contract
	SK Earthon Co., Ltd.	USD	34,000	Guarantee of mandatory work load for mining products
SK Innovation Co., Ltd. and SK On Co., Ltd.	SK On Hungary Kft.	HUF	9,810,000	Guarantee of local factory construction
SK Geo Centric Co., Ltd.	SK Ningbo Performance Rubber Co., Ltd.	USD	-	Guarantee of payment for license agreement
	SK Global Chemical Americas, Inc.	USD	160,000	Guarantee of payment for limit loan
	SK Functional Polymer, S.A.S	EUR	216,000	Guarantee of payment for limit loan
SK ie technology Co., Ltd.	SK Hi-Tech Battery Materials(Jiang Su) Co., Ltd.	CNY	700,000	Guarantee of financial obligation
	SK hi-tech battery materials Poland sp. z o.o.	USD	230,000	Guarantee of financial obligation
SK Networks Co., Ltd.	SK Networks Hong Kong Ltd.	USD	90,600	Standing surety for investee
	SK Networks (Shanghai) Co., Ltd.	USD	18,000	Standing surety for investee
		CNY	54,000	Standing surety for investee
	SK Networks (Xiamen) Steel Processing Center Co., Ltd.	CNY	68,000	Standing surety for investee
SKC Co., Ltd.	SK Networks Resources Australia Pty. Ltd.	AUD	8,000	Standing surety for investee
	SKC, Inc.	USD	169,000	Guarantee of payment
	SKC (Jiangsu) High Tech Plastics Co., Ltd.	USD	49,950	Guarantee of payment
		CNY	390,000	Guarantee of payment
	SK Telesys Co., Ltd.	KRW	30,000	Guarantee of financial obligation
	SKC (Natong) PU Specialty Co., Ltd.	CNY	118,402	Guarantee of payment
		USD	7,000	Guarantee of payment
	SKC (Natong) Semiconductor Materials Technology Co., Ltd.	USD	4,680	Guarantee of payment
SK E&S Co., Ltd.	CAILIP Gas Marketing, LLC	USD	210,000	Guarantee for derivative hedge and others
	Paju Energy Service Co., Ltd.	KRW	350,000	Guarantee of debt and others
	Narae Energy Service Co., Ltd.	KRW	270,000	Guarantee of debt and others
	Yeosu Energy Service Co., Ltd.	KRW	200,000	Guarantee of payment for principal of debt
	Prism Energy International Pte. Ltd.	USD	761,000	Guarantee for derivative hedge and others
	LAI LNG, LLC	USD	63,000	Guarantee for derivative hedge and others
	IGE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.,	USD	306,650	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.	USD		
SK E&S Americas, Inc.	Callip Gas Marketing, LLC	USD	40,000	Performance guarantee for contract
	GridSolutionII, LLC	USD	100,000	Guarantee for investment
	LAI LNG, LLC	USD	14,342	Performance guarantee for contract and others
	PassKey, Inc.	USD	52,313	Performance guarantee for contract
SK Ecoplant Co., Ltd.	SKEC Anadolu, LLC	EUR	31,134	Performance guarantees for contract and others
	Silvertown Investco Limited.	GBP	10,671	Guarantee of financial obligation
	Sunlake Co., Ltd.	CAD	6,000	Guarantee of financial obligation
	SK E&C Betek Corporation	USD	108,500	Guarantee of financial obligation
	Environment Management Corporation Co., Ltd.	KRW	50,231	Fund supplement agreement for loan agreement
	Samwon ENT Co., Ltd.	KRW	69,000	Conditional debt acquisition
	Eco Frontier (Singapore) Pte. Ltd.	USD	810,000	Guarantee of payment and others
Environment Management Corporation Co., Ltd.	Gyeongsan Clean Water Way Co., Ltd.	KRW	8,200	Guarantee of debt and others
	Dalseong Maleunmulgil Co., Ltd.	KRW	3,200	Guarantee of debt and others
	Honam Environment Energy Co., Ltd.	KRW	4,920	Guarantee of debt
SamKang M&T Co., Ltd.	SAM KANG S&C Co., Ltd.	KRW	76,910	Guarantee of debt
SK Specialty Co., Ltd.	SK Specialty Jiangsu Co., Ltd.	USD	26,000	Guarantee of debt
	SK Specialty Taiwan Co., Ltd.	USD	2,000	Guarantee of debt
	SK Specialty Japan Co., Ltd.	JPY	276,000	Guarantee of debt
SK Biotek Co., Ltd.	SK Biotek Ireland Limited.	USD	30,000	Guarantee for credit limit
		EUR	10,000	Performance guarantees
SK Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	93,000	Guarantee of debt

34. 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 interim condensed consolidated financial statements.

34.1 Financial risk management

34.1.1 Risk management activities

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The risk management committee reports regularly to the board of directors on its activities. The Group audit committee is assisted in its oversight role by internal audit.

Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Group audit committee. 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.

34.1.2 Credit risk

Credit risk is the risk of financial loss of the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In addition, the maximum exposure to credit risk as of September 30, 2022 and December 31, 2021 is as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Financial assets measured at FVTPL	₩ 11,748,328	₩ 10,871,691
Financial assets measured at FVOCI	2,088	7,799
Financial assets measured at amortized cost	34,111,087	25,365,205
Derivatives designated as hedging instruments	1,509,414	263,779
	<u>₩ 47,370,917</u>	<u>₩ 36,508,474</u>

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 31).

34.1.2.1 Trade and other receivables

The Group enters into transactions only with customers that are credit worthy. Credit quality of a customer is assessed based on an extensive credit rating scored and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and credit quality may be adjusted to reflect the appropriate appetite of credit risk in accordance with the Group's risk management policies.

The Group applies a simplification method that recognizes lifetime expected credit losses as a loss allowance for trade and other receivables. To measure expected credit losses, sales receivables and contract assets were divided based on credit risk characteristics and past due dates.

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34.1.2.2 Guarantee

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 ₩23,099 million as of September 30, 2022. The Group recognizes the financial guarantee liabilities related to the payment guarantees contracted with the Group, such as SK ecoplant Co., Ltd., as of September 30, 2022 and December 31, 2021.

	September 30, 2022	December 31, 2021
SK Innovation Co., Ltd.	₩ 594	₩ 1,137
SK ecoplant Co., Ltd.	23,099	15,921
SKC Co., Ltd.	116	-
SK Biotek Co., Ltd.	472	472
SK Showa Denko Co., Ltd.	5	22
	<u>₩ 24,286</u>	<u>₩ 17,552</u>

In addition, the Group has provided payment guarantees for others, including subsidiaries and others (see Notes 31 and 33).

34.1.2.3. 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 management of the Group's credit rating, because it is excellent to deal with financial institutions, is judged to have limited impact on the credit risk of the financial institutions of the Group.

34.1.3 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 September 30, 2022 is as follows. Amounts include interests paid and presented at gross amounts (Korean won in millions):

	Book value	Contractual cash flow	Less than 3 months	3~12 months	1~5 years	More than 5 years
Loans and borrowings	₩ 36,165,158	₩ 37,881,297	₩ 11,681,784	₩ 9,802,027	₩ 15,667,005	₩ 730,481
Bonds	36,633,562	39,765,367	1,609,248	7,600,760	23,980,017	6,575,342
Derivative financial liabilities	577,402	577,402	89,872	153,679	333,851	-
Trade payables	14,173,488	14,173,488	13,615,018	558,470	-	-
Lease liabilities	5,513,517	5,834,127	136,363	1,149,680	3,308,543	1,239,541
Other liabilities	14,347,336	14,476,176	7,765,392	4,695,851	1,782,301	232,632
	<u>₩ 107,410,463</u>	<u>₩ 112,707,857</u>	<u>₩ 34,897,677</u>	<u>₩ 23,960,467</u>	<u>₩ 45,071,717</u>	<u>₩ 8,777,996</u>

34.1.4 Market risk

Market risk is the fluctuating risk in fair value of the financial instruments or future cash flows caused by the changes in market price. Market risk consists of currency risk, interest rate risk, crude oil and petroleum product price risk, and others. The fundamental goal of market price management is the maximization of the profit and the limit of the exposure to market risk within an acceptable level. The Group sells and purchases financial derivatives and financial instruments or financial liabilities for the purpose of controlling the market risk. In general, the Group applies hedge accounting in order to minimize the volatility of profit.

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34.1.4.1 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 foreign currencies assets and liabilities as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions and foreign currencies in thousands):

	Currency	September 30, 2022		December 31, 2021	
		Foreign currencies	Korean won equivalent	Foreign currencies	Korean won equivalent
Assets	USD	11,036,040	₩ 15,834,510	7,542,986	₩ 8,942,210
	JPY	12,308,811	122,257	16,318,984	168,125
	CNY	2,009,720	401,261	2,468,361	459,757
	EUR	396,673	558,845	400,449	537,539
	Others		845,546		912,134
			₩ 17,762,419		₩ 11,019,765
Liabilities	USD	15,711,711	₩ 22,543,163	11,908,339	₩ 14,117,336
	JPY	11,443,293	113,661	10,970,493	113,022
	CNY	4,955,136	989,342	1,024,139	190,756
	EUR	466,961	657,869	167,922	225,408
	Others		597,091		531,211
			₩ 24,901,126		₩ 15,177,733

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

Currency	September 30, 2022		December 31, 2021	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (670,865)	₩ 670,865	₩ (517,513)	₩ 517,513
JPY	860	(860)	5,510	(5,510)
CNY	(58,808)	58,808	26,900	(26,900)
EUR	(9,902)	9,902	31,213	(31,213)

The Group is hedging currency risk by using derivative financial instruments such as currency swaps, currency forwards and others (See Note 19).

34.1.4.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group's management has entered into the foreign currency swap and interest rate swap contracts to manage its interest rate risk (see Note 19).

34.2 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 157.4% as of September 30, 2022. The maturity of the debt is dispersed in the long term; so, debt-repayments are not demanding.

The Group's debt ratio as of September 30, 2022 and December 31, 2021 are as follows (Korean won in millions):

	<u>September 30, 2022</u>	<u>December 31, 2021</u>
Total liabilities	₩ 121,832,526	₩ 99,815,712
Total equity	77,403,568	65,542,735
Debt ratio	157.4%	152.3%

35. Business combinations

As of September 30, 2022, details of business combinations are as follows:

(1) General information

In order to strengthen the manufacturing and sales business of basic chemical raw materials (Polyol), SKC Co., Ltd. acquired substantial control over 50% of Mitsui Chemicals & SKC Polyurethanes Inc. on January 1, 2022 as the date of acquisition. Accordingly, the classification of Mitsui Chemicals & SKC Polyurethanes Inc. has been changed from investment in joint venture to investment in subsidiary.

Mobility Solution II Inc., a subsidiary, gained control by acquiring a 100% stake in EverCharge, Inc. on March 23, 2022.

SK ecoplant., Co., Ltd., a subsidiary, established Eco Frontier (Singapore) Pte. Ltd. during the nine-month period ended September, 2022 to start the electronic waste recycling business, and acquired 100% of shares in Tes-Envirocorp Pte. Ltd. on April 30, 2022, the deemed acquisition date and acquired 53 subsidiaries. In addition, for the purpose of expanding the portfolio of environmental business during the current period, SK ecoplant., Co., Ltd. acquired 100% of the shares of J.A. Green Co., Ltd. on June 30, 2022, the deemed acquisition date.

In order to strengthen the SiC power semiconductor business, which is expected to grow rapidly, the Company gained control as its stake became 74.89% through the acquisition of an additional stake in YESPOWERTECHNIX CO., LTD. in May 2022. Furthermore, after additionally acquiring equity shares in July and August 2022, its stake became 94.76% as of September 30, 2022.

TMAP MOBILITY CO.,LTD., a subsidiary, acquired a 100% stake and gained control in Seoul Airbus Co., Ltd. to expand and strengthen its business portfolio on May 2, 2022.

TMAP MOBILITY CO., LTD., a subsidiary, acquired a 100% stake in LOGISOFT CO., LTD. on August 8, 2022 to expand and strengthen its business portfolio.

SK ecoplant Co., Ltd., a subsidiary, acquired a 31.52% stake in SamKang M&T Co., Ltd. on August 31, 2022 (the deemed acquisition date) for the purpose of expanding its business to the offshore wind power.

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35. Business combinations (cont'd)

(2) Identifiable assets acquired and liabilities assumed

Identifiable assets acquired and liabilities assumed due to merger are as follows (Korean won in millions):

	SK pucore Co., Ltd.	Evercharge Co., Ltd.	Tes- Envirocorp Pte., Ltd.	JA GREEN Co., Ltd.	YESPOWER TECHNIX Co., Ltd.	SEOUL AIRPORT LIMOUSINE CO.,LTD.	LOGISOFT. CO.LTD	SamKang M&T Co., Ltd.
Assets:								
Cash and cash equivalents	₩ 11,986	₩ 7,211	₩ 96,399	₩ 1,198	₩ 12,677	₩ 328	₩ 11,659	₩ 483,274
Trade and other receivables	119,230	1,138	116,360	2,278	601	1,019	49	146,594
Inventories	96,576	2,906	21,353	-	7,665	36	-	3,305
Property, plant and equipment	103,718	186	82,267	38,858	8,063	7,240	24	422,617
Right-of-use assets	10,204	-	36,300	7	1,260	5	4	11,257
Intangible assets	167,921	132,825	29,791	1	26,427	395	-	2,714
Other assets	402,474	673	27,716	2,222	1,942	4,959	6,690	208,662
	<u>912,109</u>	<u>144,939</u>	<u>410,186</u>	<u>44,564</u>	<u>58,635</u>	<u>13,982</u>	<u>18,426</u>	<u>1,278,423</u>
Liabilities:								
Trade and other payables	₩ 102,673	₩ 278	₩ 124,723	₩ 3,585	₩ 1,849	₩ 1,560	₩ 25,355	₩ 84,406
Trade and other receivables	113,774	-	48,008	12,100	4,497	-	61	406,538
Inventories	10,204	-	37,600	-	1,234	5	-	14,350
Property, plant and equipment	3,878	-	-	614	-	-	82	7,745
Right-of-use assets	682	-	-	-	81	163	322	1,227
Intangible assets	24,797	35,428	8,176	-	6,364	-	-	175
Other assets	12,501	7,879	32,238	11,082	141	213	15,808	236,485
	<u>268,509</u>	<u>43,585</u>	<u>250,745</u>	<u>27,381</u>	<u>14,166</u>	<u>1,941</u>	<u>41,628</u>	<u>750,926</u>
Fair value of identifiable net assets	<u>₩ 643,600</u>	<u>₩ 101,354</u>	<u>₩ 159,441</u>	<u>₩ 17,183</u>	<u>₩ 44,469</u>	<u>₩ 12,041</u>	<u>₩ (23,202)</u>	<u>₩ 527,497</u>

As of September 30, 2022, the fair value of the assets acquired and liabilities assumed was determined tentatively because independent valuation was not completed.

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35. Business combinations (cont'd)

(3) Goodwill

Goodwill arising from business combinations is as follows (Korean won in millions):

	SK pucore Co., Ltd.	Evercharge Co., Ltd.	Tes- Envirocorp Pte., Ltd.	JA GREEN Co., Ltd.	YESPOWER TECHNIX Co., Ltd.	AIRPORT LIMOUSINE CO., LTD.	LOGISOFT. CO.LTD.	SamKang M&T Co., Ltd.
a. The total consideration transferred (*1)	₩ 370,880	₩ 338,102	₩ 1,369,872	₩ 132,230	₩ 84,068	₩ 57,797	₩ 54,701	₩ 342,595
b. Fair value of proportionate share of acquired net assets:								
Fair value of the net identifiable assets	643,600	101,354	159,441	17,183	44,469	12,041	(23,202)	527,497
Non-controlling Interests (*2)	(370,880)	-	-	-	(11,166)	-	-	(378,161)
	<u>272,720</u>	<u>101,354</u>	<u>159,441</u>	<u>17,183</u>	<u>33,303</u>	<u>12,041</u>	<u>(23,202)</u>	<u>149,336</u>
c. Goodwill (c=a-b)	<u>₩ 98,160</u>	<u>₩ 236,748</u>	<u>₩ 1,210,431</u>	<u>₩ 115,047</u>	<u>₩ 50,765</u>	<u>₩ 45,756</u>	<u>₩ 77,903</u>	<u>₩ 193,259</u>

(*1) It includes the fair value of interests of investments in associates and joint ventures held before the business combinations.

(*2) Non-controlling interests arising from the merger are measured in proportion to the non-controlling interests in identifiable net assets of the merged company.

36. Subsequent events

36.1 Pangyo Data Center fire incident

On October 15, 2022, there was fire in the emergency power facility room of the data center in Pangyo, Seongnam-si, Gyeonggi-do, which caused a service failure for major customers. The cause of the fire has not been clearly identified, and police and fire authorities are investigating the cause of fire. The Company is reviewing the financial impact therefrom on the financial statements.

36.2 SK Innovation Co., Ltd.'s acquisition of a stake in Green Revolution Cooling, Inc.

SK Innovation Co., Ltd., a subsidiary, acquired a 34.3% stake in Green Revolution Cooling, Inc. (acquisition amount: USD 25 million) as of October 7, 2022 to strengthen its liquid-based thermal management business capabilities.

36.3 Interim dividend payment of SK Telecom Co., Ltd.

SK Telecom Co., Ltd. declared to pay interim dividend in accordance with the board's resolution on October 27, 2022 as follows:

	Details
Amount of interim dividend	₩ 830 per share (total amount of dividend: ₩ 180,967 millions)
Ratio of dividend to market value	1.59%
Dividend record date	September 30, 2022
Date of dividend payment	Within November 16, 2022 on the basis of Article 165-12 (3) of the Capital Market and Financial Investment Business Act

36.4 Acquisition of treasury stock by SKC Co., Ltd.

On October 7, 2022, SKC Co., Ltd., a subsidiary, decided to acquire 1,893,415 shares of treasury stock for ₩ 166,242 million to protect shareholder value through stock price stabilization. The amount to be acquired is the closing price on the day before the date of the resolution of the board of directors multiplied by the number of shares to be acquired, and the actual amount of acquisition may change due to future changes in the stock price. The expected acquisition period is from October 11, 2022 to January 10, 2023.

36.5 Bondholders' objection to the division of SKC's industrial material business

SKC Co., Ltd., a subsidiary, held a bondholders' meeting on October 11, 2022 in relation to "an objection to the split off of the industrial material business", and objection to the division has been submitted during some sessions for which SKC Co., Ltd. provided collateral as prescribed by the Commercial Act.

36.6 Acquisition of a stake in Cenviro Sdn. Bhd by SK ecoplant Co., Ltd.

By the resolution of the board of directors on October 26, 2022, SK ecoplant Co., Ltd., a subsidiary, decided to invest ₩ 148,570 million in Ecoplant Holding Malaysia Sdn. Bhd (Malaysia) to acquire shares of Cenviro Sdn. Bhd (Malaysia).