



SK Inc. **AND ITS SUBSIDIARIES**

Consolidated Financial Statements
December 31, 2024 and 2023
(with Independent Auditor's Report Thereon)

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Independent Auditors' Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
SK Inc.

Opinion

We have audited the consolidated financial statements of SK Inc. and its subsidiaries (the "Group"), expressed in Korean won, which comprise the consolidated statement of financial position as of December 31, 2024 and 2023 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising of material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024 and 2023 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("K-IFRS").

We also have audited, in accordance with Korean Standards on Auditing ("KSAs"), the Group's internal control over financial reporting ("ICFR") for consolidation purposes as of December 31, 2024 based on the criteria established in Conceptual Framework for Designing and Operating Internal Control over Financial Reporting issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea, and our report dated March 11, 2025 expressed an unmodified opinion on the effectiveness of the Group's internal control over financial reporting for consolidation purposes.

Basis for Opinion

We conducted our audits in accordance with KSAs. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements as of and for the year ended December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of goodwill

As described in Note 16 to the consolidated financial statements, the Group recognizes goodwill of ₩5,462,338 million as of December 31, 2024, all of which has incurred through a number of business combinations in the past.

Among the total goodwill recognized by the Group, a significant amount of goodwill of ₩1,023,518 million is from the acquisition of the E-waste recycling business in 2022. In accordance with K-IFRS 1036 *Impairment of Assets*, impairment test is required to be performed annually for goodwill acquired in a business combination. As the assumptions and judgment used by Group's management in estimating the value-in-use used in the impairment testing of goodwill is significant, we determined the impairment testing of goodwill related to the E-waste recycling business to be a key audit matter.



The primary audit procedures we have performed to address this key audit matter are as follows:

- Understanding the process related to the review of the impairment test of goodwill, and evaluated the effectiveness of the design and operation of internal controls.
- Comparison of financial forecasts used in estimating value-in-use with those approved by management.
- Comparison of prior year's forecast with actual results for the current year to evaluate the reasonableness of estimates.
- Evaluating the major assumptions used in the evaluation by comparing with the past financial performance, industry indicators and market data.
- Involving internal valuation specialists to evaluate key assumptions such as the valuation methods, business plan, discount rate and long-term growth rate of the Group.

Other Matters

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

The accompanying consolidated financial statements as of and for the years ended December 31, 2024 and 2023 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, the consolidated financial statements expressed in Korean won have been translated into dollars on the basis set forth in Note 2 to the consolidated financial statements.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with K-IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with KSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with KSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used in the preparation of the consolidated financial statements and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Se Hong Choi.

KPMG Samjong Accounting Corp.

Seoul, Korea
March 11, 2025

This report is effective as of March 11, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

SK Inc. AND ITS SUBSIDIARIES

Consolidated Financial Statements
for the years ended December 31, 2024 and 2023

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

Tae-Won Chey, Yong-Ho Jang
Chief Executive Officers
SK Inc.

SK Inc. and its subsidiaries
Consolidated statements of financial position
as of December 31, 2024 and 2023

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2024	2023	2024	2023
Assets					
Current assets:					
Cash and cash equivalents	6,41,42,43	₩ 24,647,042	₩ 22,683,670	\$ 16,766,695	\$ 15,431,068
Short-term financial instruments	6,41,42	2,791,768	2,942,041	1,899,162	2,001,388
Trade receivables, net	6,7,41,43	13,454,372	13,879,388	9,152,634	9,441,761
Other receivables, net	6,7,43	3,114,522	3,060,312	2,118,722	2,081,845
Inventories, net	8,43	13,638,472	15,006,555	9,277,872	10,208,541
Short-term investment securities	6,9,41,43	13,134	186,838	8,935	127,101
Other current assets	6,7,14,22,23,41,42,43	6,679,665	5,728,716	4,543,990	3,897,086
Assets held for sale	38	3,123,889	1,347,102	2,125,095	916,396
Total current assets		67,462,864	64,834,622	45,893,105	44,105,186
Non-current assets:					
Long-term financial instruments	6,41,42	51,846	56,415	35,269	38,378
Long-term trade receivables, net	6,7,43	601,685	545,442	409,310	371,049
Long-term other receivables, net	6,7,43	284,689	809,912	193,666	550,961
Long-term investment securities	6,9,41,43	6,723,257	7,544,076	4,573,644	5,132,024
Investments in associates and joint ventures	10,11,41	31,108,433	26,537,507	21,162,199	18,052,726
Properties, plant and equipment, net	13,41	80,363,735	73,494,432	54,669,207	49,996,212
Right-of-use assets, net	14	4,938,295	5,176,931	3,359,384	3,521,722
Investment properties, net	15,41	994,339	3,093,905	676,421	2,104,697
Goodwill	16	5,462,338	6,845,928	3,715,876	4,657,094
Intangible assets, net	17	10,442,495	11,741,419	7,103,738	7,987,360
Defined benefit asset	21	339,646	518,616	231,052	352,800
Deferred tax assets	34	2,418,044	1,749,089	1,644,928	1,189,856
Other non-current assets	6,7,14,21,22,23,42,43	3,786,088	4,021,970	2,575,574	2,736,035
Total non-current assets		147,514,890	142,135,642	100,350,268	96,690,914
Total assets		₩ 214,977,754	₩ 206,970,264	\$ 146,243,373	\$ 140,796,100
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	6,7,18,39,41,43	₩ 20,002,596	₩ 17,388,374	\$ 13,607,208	\$ 11,828,826
Trade payables	6,43	12,752,930	12,949,401	8,675,463	8,809,116
Other payables	6,43	10,423,076	9,731,378	7,090,528	6,619,985
Provisions	20	598,197	579,030	406,937	393,898
Current portion of long-term debt	6,18,39,40,41,43	14,788,886	13,019,290	10,060,467	8,856,660
Other current liabilities	6,7,14,22,23,43	11,980,362	11,381,670	8,149,906	7,742,633
Liabilities held for sale	38	986,774	304,148	671,275	206,903
Total current liabilities		71,532,821	65,353,291	48,661,784	44,458,021
Non-current liabilities:					
Bonds and long-term borrowings	6,18,39,40,41,43	48,073,129	48,570,229	32,702,809	33,040,972
Long-term other payables	6,19,39,40,43	958,437	1,342,164	651,998	913,037
Defined benefit liabilities	21	87,165	56,062	59,296	38,137
Provisions	20	1,307,787	1,226,618	889,651	834,434
Deferred tax liabilities	34	4,080,780	4,144,444	2,776,041	2,819,350
Other non-current liabilities	6,7,14,22,23,43	8,650,099	8,398,406	5,884,421	5,713,203
Total non-current liabilities		63,157,397	63,737,923	42,964,216	43,359,133
Total liabilities		134,690,218	129,091,214	91,626,000	87,817,154
Equity					
Equity attributable to owners of the parent:					
Share capital	1,24	16,143	16,143	10,982	10,982
Other paid-in capital	25,29	11,249,551	7,024,926	7,652,756	4,778,861
Retained earnings	26	11,881,908	13,668,066	8,082,931	9,298,004
Other components of equity	28	1,966,989	17,579	1,338,088	11,959
Equity attributable to owners of the Parent Company		25,114,591	20,726,714	17,084,757	14,099,806
Non-controlling interests		55,172,945	57,152,336	37,532,616	38,879,140
Total equity		80,287,536	77,879,050	54,617,373	52,978,946
Total liabilities and equity		₩ 214,977,754	₩ 206,970,264	\$ 146,243,373	\$ 140,796,100

See accompanying notes to the consolidated financial statements.

SK Inc. and its subsidiaries
Consolidated statements of comprehensive income (loss)
for the years ended December 31, 2024 and 2023

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2024	2023	2024	2023
Sales	4	₩ 124,690,439	₩ 128,798,468	\$ 84,823,428	\$ 87,618,005
Cost of sales	33	<u>113,998,912</u>	<u>116,609,571</u>	<u>77,550,280</u>	<u>79,326,239</u>
Gross profit		10,691,527	12,188,897	7,273,148	8,291,766
Other operating income	4	292,358	617,038	198,883	419,754
Selling and administrative expenses	30,33	<u>8,628,595</u>	<u>8,051,953</u>	<u>5,869,793</u>	<u>5,477,519</u>
Operating profit	4	2,355,290	4,753,982	1,602,238	3,234,001
Finance income	6,31	6,813,064	7,085,648	4,634,737	4,820,169
Finance costs	6,31	10,177,513	9,452,684	6,923,478	6,430,397
Gain (loss) on investments in associates and joint ventures, r	10,11	3,812,030	(2,359,480)	2,593,218	(1,605,088)
Other non-operating income	6,32	1,594,191	1,184,698	1,084,483	805,916
Other non-operating expenses	6,32	<u>3,300,505</u>	<u>2,065,782</u>	<u>2,245,241</u>	<u>1,405,294</u>
Profit (loss) from continuing operations before income tax expense	4	1,096,557	(853,618)	745,957	(580,693)
Income tax expense from continuing operations	34	<u>747,752</u>	<u>570,636</u>	<u>508,675</u>	<u>388,187</u>
Profit (loss) for the year from continuing operations	4	348,805	(1,424,254)	237,282	(968,880)
Gain from discontinued operations	37	<u>180,005</u>	<u>1,017,867</u>	<u>122,452</u>	<u>692,427</u>
Profit (loss) for the year		<u>₩ 528,810</u>	<u>₩ (406,387)</u>	<u>\$ 359,734</u>	<u>\$ (276,453)</u>
attributable to:					
Owners of the Parent Company		(1,292,684)	(776,798)	(879,378)	(528,433)
Non-controlling interests		1,821,494	370,411	1,239,112	251,980
Other comprehensive income (loss):					
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Remeasurements of the net defined benefit plans		(142,585)	(196,845)	(96,997)	(133,908)
Net loss on valuation of financial assets at FVOCI		(517,026)	(607,992)	(351,718)	(413,600)
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		853,194	89,648	580,404	60,985
Net gain (loss) on valuation of derivative financial instruments		15,587	(70,628)	10,603	(48,046)
Net gain on translation of foreign operations		<u>4,741,143</u>	<u>583,189</u>	<u>3,225,267</u>	<u>396,727</u>
		<u>4,950,313</u>	<u>(202,628)</u>	<u>3,367,559</u>	<u>(137,842)</u>
Total comprehensive income (loss) for the year		<u>₩ 5,479,123</u>	<u>₩ (609,015)</u>	<u>\$ 3,727,293</u>	<u>\$ (414,295)</u>
attributable to:					
Owners of the Parent Company		532,788	(1,113,428)	362,439	(757,433)
Non-controlling interests		4,946,335	504,413	3,364,854	343,138
Earnings per share (Korean won and U.S. dollar):	35				
Basic earnings per share		₩ (23,455)	₩ (13,941)	\$ (16)	\$ (9)
Preferred earnings per share		(23,455)	(13,941)	(16)	(9)
Diluted earnings per share		(23,525)	(13,958)	(16)	(10)
Basic earnings per share from continuing operations		(25,269)	(20,541)	(17)	(14)
Preferred earnings per share from continuing operations		(25,319)	(20,591)	(17)	(14)
Diluted earnings per share from continuing operations		(25,339)	(20,552)	(17)	(14)

See accompanying notes to the consolidated financial statements.

SK Inc. and its subsidiaries
Consolidated statements of changes in equity
for the years ended December 31, 2024 and 2023
(Korean won in millions)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
	₩	₩	₩	₩	₩	₩	₩
As of January 1, 2023	16,143	6,401,912	14,918,613	258,878	21,595,546	50,213,244	71,808,790
Total comprehensive income:							
Profit (loss) for the year	-	-	(776,798)	-	(776,798)	370,411	(406,387)
Remeasurements of the net defined benefit plans	-	-	(104,915)	-	(104,915)	(91,930)	(196,845)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	9,584	(599,823)	(590,239)	(17,753)	(607,992)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	57,370	57,370	32,278	89,648
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(17,639)	(17,639)	(52,989)	(70,628)
Net gain on translation of foreign operations	-	-	-	318,793	318,793	264,396	583,189
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(278,764)	-	(278,764)	(1,343,666)	(1,622,430)
Stock-based payment	-	27,714	-	-	27,714	71,873	99,587
Retirement of treasury stocks	-	100,681	(100,681)	-	-	-	-
Equity transactions within consolidated entities	-	485,612	-	-	485,612	6,350,360	6,835,972
Changes in the scope of consolidation	-	-	-	-	-	1,357,065	1,357,065
Others	-	9,007	1,027	-	10,034	(953)	9,081
As of December 31, 2023	16,143	7,024,926	13,668,066	17,579	20,726,714	57,152,336	77,879,050
As of January 1, 2024	16,143	7,024,926	13,668,066	17,579	20,726,714	57,152,336	77,879,050
Total comprehensive income:							
Profit (loss) for the year	-	-	(1,292,684)	-	(1,292,684)	1,821,494	528,810
Remeasurements of the net defined benefit plans	-	-	(50,852)	-	(50,852)	(91,733)	(142,585)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(73,086)	(390,359)	(463,445)	(53,581)	(517,026)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	572,089	572,089	281,105	853,194
Net gain (loss) on valuation of derivative financial instruments	-	-	-	11,069	11,069	4,518	15,587
Net gain on translation of foreign operations	-	-	-	1,756,611	1,756,611	2,984,532	4,741,143
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(275,446)	-	(275,446)	(1,543,962)	(1,819,408)
Stock-based payment	-	(10,352)	-	-	(10,352)	101,075	90,723
Retirement of treasury shares	-	75,362	(75,362)	-	-	-	-
Equity transactions within consolidated entities	-	4,172,055	-	-	4,172,055	(4,453,324)	(281,269)
Changes in the scope of consolidation	-	-	-	-	-	(1,032,894)	(1,032,894)
Others	-	(12,440)	(18,728)	-	(31,168)	3,379	(27,789)
As of December 31, 2024	16,143	11,249,551	11,881,908	1,966,989	25,114,591	55,172,945	80,287,536

(Continued)

SK Inc. and its subsidiaries
Consolidated statements of changes in equity
for the years ended December 31, 2024 and 2023 (cont'd)
(U.S.dollar in thousands)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
	\$	\$	\$	\$	\$	\$	\$
As of January 1, 2023	10,982	4,355,042	10,148,716	176,108	14,690,848	34,158,669	48,849,517
Total comprehensive income:							
Profit (loss) for the year	-	-	(528,433)	-	(528,433)	251,980	(276,453)
Remeasurements of the net defined benefit plans	-	-	(71,371)	-	(71,371)	(62,537)	(133,908)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	6,520	(408,043)	(401,523)	(12,077)	(413,600)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	39,027	39,027	21,958	60,985
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(11,999)	(11,999)	(36,047)	(48,046)
Net gain on translation of foreign operations	-	-	-	216,866	216,866	179,861	396,727
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(189,635)	-	(189,635)	(914,059)	(1,103,694)
Stock-based payment	-	18,853	-	-	18,853	48,893	67,746
Retirement of treasury stocks	-	68,490	(68,490)	-	-	-	-
Equity transactions within consolidated entities	-	330,348	-	-	330,348	4,319,973	4,650,321
Changes in the scope of consolidation	-	-	-	-	-	923,173	923,173
Others	-	6,128	697	-	6,825	(647)	6,178
As of December 31, 2023	10,982	4,778,861	9,298,004	11,959	14,099,806	38,879,140	52,978,946
As of January 1, 2024	10,982	4,778,861	9,298,004	11,959	14,099,806	38,879,140	52,978,946
Total comprehensive income:							
Profit (loss) for the year	-	-	(879,377)	-	(879,377)	1,239,111	359,734
Remeasurements of the net defined benefit plans	-	-	(34,593)	-	(34,593)	(62,404)	(96,997)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(49,719)	(265,550)	(315,269)	(36,449)	(351,718)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	389,176	389,176	191,228	580,404
Net gain (loss) on valuation of derivative financial instruments	-	-	-	7,530	7,530	3,073	10,603
Net gain on translation of foreign operations	-	-	-	1,194,973	1,194,973	2,030,294	3,225,267
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(187,378)	-	(187,378)	(1,050,314)	(1,237,692)
Stock-based payment	-	(7,042)	-	-	(7,042)	68,759	61,717
Retirement of treasury shares	-	51,267	(51,267)	-	-	-	-
Equity transactions within consolidated entities	-	2,838,133	-	-	2,838,133	(3,029,472)	(191,339)
Changes in the scope of consolidation	-	-	-	-	-	(702,649)	(702,649)
Others	-	(8,463)	(12,739)	-	(21,202)	2,299	(18,903)
As of December 31, 2024	10,982	7,652,756	8,082,931	1,338,088	17,084,757	37,532,616	54,617,373

SK Inc. and its subsidiaries
Consolidated statements of cash flows
for the years ended December 31, 2024 and 2023
(Korean won in millions and U.S. dollar in thousands)

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2024	2023	2024	2023
Cash flows from operating activities:					
Profit (loss) for the year		₩ 528,810	₩ (406,387)	\$ 359,734	\$ (276,453)
Non-cash adjustments	39	11,053,002	14,489,408	7,519,049	9,856,740
Working capital adjustments	39	737,417	1,382,759	501,644	940,652
Interest received		882,695	789,244	600,473	536,901
Interest paid		(3,891,755)	(3,308,600)	(2,647,452)	(2,250,748)
Dividends received		357,709	389,034	243,339	264,649
Income tax paid		(1,557,548)	(1,981,576)	(1,059,556)	(1,348,011)
Net cash provided by operating activities		8,110,330	11,353,882	5,517,231	7,723,730
Cash flows from investing activities:					
Decrease in short-term financial instruments, net		417,067	955,651	283,719	650,103
Increase in long-term financial instruments, net		(18,204)	(67,445)	(12,384)	(45,881)
Decrease in long-term financial instruments, net		9,635	98,028	6,554	66,686
Increase (decrease) in short-term loans, net		160,631	(147,029)	109,273	(100,020)
Decrease in long-term loans, net		(275,048)	(259,706)	(187,107)	(176,671)
Decrease in short-term investment securities, net		65,724	69,618	44,710	47,359
Proceeds from disposal of long-term investment securities		1,313,863	498,149	893,784	338,877
Proceeds from disposal of investments in associates and joint ventures		1,387,300	164,379	943,741	111,822
Proceeds from disposal of property, plant and equipment		408,847	196,083	278,127	133,390
Proceeds from disposal of intangible assets		237,393	61,288	161,492	41,693
Proceeds from disposal of assets held for sale		942,613	554,696	641,233	377,344
Acquisition of long-term investment securities		(534,993)	(1,035,256)	(363,941)	(704,256)
Acquisition of investments in associates and joint ventures		(1,116,763)	(1,635,434)	(759,703)	(1,112,540)
Acquisition of property, plant and equipment		(15,673,489)	(18,915,215)	(10,662,237)	(12,867,493)
Acquisition of intangible assets		(253,967)	(541,252)	(172,767)	(368,199)
Decrease in cash from changes in the scope of consolidation, net		(10,704)	(748,636)	(7,282)	(509,276)
Others, net		782,230	(875,731)	532,128	(595,734)
Net cash used in investing activities		(12,157,865)	(21,627,812)	(8,270,660)	(14,712,796)
Cash flows from financing activities:					
Increase (decrease) in short-term borrowings, net		3,073,870	(1,143,705)	2,091,068	(778,031)
Increase in bonds and borrowings		23,035,611	20,088,196	15,670,484	13,665,439
Decrease in bonds and borrowings		(19,229,964)	(12,833,855)	(13,081,608)	(8,730,514)
Decrease in long-term other payables		(399,565)	(424,561)	(271,813)	(288,817)
Decrease in lease liabilities		(1,067,260)	(1,265,361)	(726,027)	(860,790)
Payment of dividends		(1,815,019)	(1,673,986)	(1,234,707)	(1,138,766)
Cash inflows from consolidated capital transaction		896,830	8,492,578	610,088	5,777,264
Others, net		590,080	284,675	401,418	193,657
Net cash provided by financing activities		5,084,583	11,523,981	3,458,903	7,839,442
Net increase in cash and cash equivalents		1,037,048	1,250,051	705,474	850,376
Net foreign exchange effects		908,595	78,941	618,092	53,701
Cash and cash equivalents included in assets held for sale		17,729	(39,175)	12,061	(26,650)
Cash and cash equivalents at the beginning of the year		22,683,670	21,393,853	15,431,068	14,553,641
Cash and cash equivalents at the end of the year		₩ 24,647,042	₩ 22,683,670	\$ 16,766,695	\$ 15,431,068

See accompanying notes to the consolidated financial statements.

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2024 and 2023

1. Corporate information

(1) Parent Company

SK Inc. (the “Company” or “Parent Company”) was established on April 13, 1991 as the parent company of K-IFRS No. 1110 and has been engaged in 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 December 31, 2024, 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 17.90%, 7.61%, and 6.65%, respectively, as of December 31, 2024.

(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 December 31, 2024 and 2023 are as follows:

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership(*1)	
				December 31, 2024	December 31, 2023
SK Innovation Co., Ltd.	Korea	Resource development City gas business and power generation	SK Inc.	55.91%	34.45%
SK Energy Co., Ltd.	Korea	Crude oil refining and sales	SK Innovation Co., Ltd	100.00%	100.00%
Netruck Co., Ltd.	Korea	Gas station operation	SK Energy Co., Ltd.	100.00%	100.00%
Jeju United FC Corporation	Korea	Sports association sponsoring	SK Energy Co., Ltd.	100.00%	100.00%
Happydidim	Korea	Service	SK Energy Co., Ltd.	100.00%	100.00%
Green & Co. Asia Ltd.	Myanmar	Manufacturing	SK Energy Co., Ltd.	80.00%	80.00%
SK Energy Hong Kong Co., Ltd.	Hong Kong	Investment	SK Energy Co., Ltd.	100.00%	100.00%
SK Energy Road Investment Co., Ltd.	Cayman	Investment	SK Energy Co., Ltd.	100.00%	100.00%
SK Energy Road Investment (HK) Co., Ltd.	Hong Kong	Investment	SK Energy Road Investment Co., Ltd.	100.00%	100.00%
SK Asphalt (Shanghai) Co., Ltd.	China	The sale of asphalt	SK Energy Road Investment (HK) Co., Ltd.	100.00%	100.00%
goodsFLOW	Korea	The information and communication and transportation industry	SK Energy Co., Ltd.	100.00%	100.00%
SK Geo Centric Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd	100.00%	100.00%
SK Geo Centric (Beijing) Holding Co., Ltd.	China	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Global Chemical China Limited	Hong Kong	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
Sino-Korea Green New Material (JiangSu) Ltd.	China	Petrochemicals manufacture and sales	SK Global Chemical China Limited	60.00%	60.00%
SK Geo Centric International Trading (Shanghai) Co., Ltd.	China	Petrochemicals sales	SK Global Chemical China Limited	100.00%	100.00%
SK GC Americas, Inc.	USA	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Primacor Americas LLC	USA	Petrochemicals manufacture and sales	SK GC Americas, Inc.	100.00%	100.00%
SK Primacor Europe, S.L.U.	Spain	Petrochemicals manufacture and sales	SK GC Americas, Inc.	100.00%	100.00%
SK Saran Americas LLC	USA	Petrochemicals manufacture and sales	SK GC Americas, Inc.	100.00%	100.00%
SK Geo Centric Brazil LTDA	Brazil	Petrochemicals sales	SK GC Americas, Inc.	100.00%	100.00%
SK Geo Centric Japan Co., Ltd.	Japan	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric Singapore Pte. Ltd.	Singapore	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric Investment Hong Kong Ltd.	Hong Kong	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
Ningbo SK Performance Rubber Co., Ltd.	China	Manufacturing	SK Geo Centric Investment Hong Kong Ltd.	80.00%	80.00%
HAPPYMOEUM	Korea	Service	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Functional Polymer, S.A.S	France	Petrochemicals manufacture and sales	SK Geo Centric Co., Ltd	100.00%	100.00%
Green & Connect Capital, Inc.	USA	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
ONEPOL Co., Ltd.	Korea	Petrochemicals manufacture and sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric High Performance Product (Zhejiang) Co., Ltd.	China	Petrochemicals manufacture and sales	SK Geo Centric China, Ltd.	100.00%	100.00%
SK Incheon Petrochem Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd	100.00%	100.00%
SK Energy International Pte. Ltd.	Singapore	Trading business	SK On Co., Ltd	100.00%	100.00%
SK Energy Europe, Ltd.	UK	Trading business	SK Energy International Pte. Ltd.	100.00%	100.00%
SK Energy Americas, Inc.	USA	Trading business	SK Energy International Pte. Ltd.	100.00%	100.00%
SK Terminal B.V.	Netherlands	Investment	SK Energy International Pte. Ltd.	100.00%	100.00%
SK Enmove Co., Ltd.	Korea	Lubricants oil manufacturing and sales	SK Innovation Co., Ltd	70.00%	60.00%
Yubase Manufacturing Asia Corporation	Korea	Lubricants oil processing	SK Enmove Co., Ltd.	70.00%	70.00%

SK Inc. and its subsidiaries
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1. Corporate information (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership(*1)	
				December 31, 2024	December 31, 2023
SK Enmove (Tianjin) Co., Ltd.	China	Lubricants oil manufacturing and sales	SK Enmove Co., Ltd.	100.00%	100.00%
SK Enmove Americas, Inc.	USA	Lubricants oil sales	SK Enmove Co., Ltd.	100.00%	100.00%
SK Enmove Europe B.V.	Netherlands	Lubricants oil sales	SK Enmove Co., Ltd.	100.00%	100.00%
SK Enmove Japan Co., Ltd.	Japan	Lubricants oil sales	SK Enmove Co., Ltd.	100.00%	100.00%
SK Enmove India Pvt. Ltd.	India	Lubricants oil sales	SK Enmove Co., Ltd.	100.00%	100.00%
Iberian Lube Base Oils S.A.	Spain	Lubricants oil manufacturing and sales	SK Enmove Co., Ltd.	70.00%	70.00%
SK Enmove Russia LLC	Russia	Lubricants oil sales	SK Enmove Co., Ltd.	100.00%	100.00%
SK ie technology Co., Ltd.	Korea	Manufacture of Separators for secondary Cells	SK Innovation Co., Ltd	61.20%	61.20%
SK hi-tech battery materials (Jiangsu) Co., Ltd.	China	Manufacture of Separators for secondary Cells	SK ie technology Co., Ltd.	100.00%	100.00%
SK hi-tech battery materials Poland Sp. Z o.o.	Poland	Manufacture of Separators for secondary Cells	SK ie technology Co., Ltd.	100.00%	100.00%
SK Innovation Insurance (Bermuda), Ltd.	Bermuda	Insurance	SK Innovation Co., Ltd	100.00%	100.00%
SK Americas Inc.(formerly, SK USA, Inc.)	USA	Management consulting	SK Innovation Co., Ltd	80.00%	100.00%
HAPPYKIUM	Korea	Service	SK Innovation Co., Ltd	100.00%	100.00%
SK On Co., Ltd.	Korea	Lithium battery manufacturing	SK Innovation Co., Ltd	86.55%	89.52%
SK On Hungary Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK ON (Jiangsu) Co., Ltd.	China	Lithium battery manufacturing	SK On Co., Ltd	70.04%	70.04%
SK ON (YANCHENG) CO., LTD	China	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK Battery America, Inc.	USA	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
BlueOval SK, LLC (*2)	USA	Lithium battery manufacturing	SK Battery America, Inc.	50.00%	50.00%
SK Battery Manufacturing Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK On (Shanghai) Co., Ltd.	China	Lithium battery sales	SK On Co., Ltd	100.00%	100.00%
SK ON TECH PLUS CO., LTD.	Korea	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
(formerly, SK Mobile Energy Co., Ltd.)					
Yancheng Yandu District M Energy Consulting Limited Company	China	Service / manufacturing service	SK ON TECH PLUS CO., LTD.	100.00%	100.00%
Mobile Energy Battery America, LLC	USA	Service / manufacturing service	SK ON TECH PLUS CO., LTD.	100.00%	100.00%
Happy midum	Korea	Service	SK On Co., Ltd	100.00%	100.00%
SK on Technology Center (Jiangsu) Co., Ltd.	China	Lithium cell certification	SK On Co., Ltd	100.00%	100.00%
(formely, SK on Certification Center (Jiangsu) Co., Ltd.)					
Route on Delaware, Inc.	USA	Storage battery manufacturing	SK On Co., Ltd	100.00%	100.00%
Route on Quebec Ltd.	Canada	Storage battery manufacturing	SK On Co., Ltd	100.00%	100.00%
Voltcycle On LLC	Hungary	Battery reuse/recycle service	SK ON Hungary Kft.	85.00%	100.00%
SK Earthon Co., Ltd.	Korea	Oil development	SK Innovation Co., Ltd	100.00%	100.00%
SK Earthon Australia Pty Ltd.	Australia	Exploration and injection of carbon dioxide storage	SK earthon Co., Ltd.	100.00%	100.00%
SK Innovation America, Inc.	USA	Investment	SK Innovation Co., Ltd	100.00%	100.00%
IPC First Securitization Specialty Company (*3)	Korea	Issuance and redemption of floating securities	Individual	-	-
Grove Energy Capital IV, LLC	USA	Investment	SK Innovation America, Inc.	100.00%	100.00%
SK innovation outpost Corporation	USA	Management consulting	SK Innovation Co., Ltd	100.00%	100.00%
SK entern Co., Ltd	Korea	Transportation and Warehousing Industry	SK Innovation Co., Ltd	100.00%	-
Kangwon City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Yeongnam Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Ko-one Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Narae Energy Service Co., Ltd.	Korea	Integrated energy service	SK Innovation Co., Ltd	100.00%	100.00%
Busan City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS BUSAN CO., LTD.	100.00%	100.00%
Jeonbuk Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Chonnam City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Chungcheong Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Paju Energy Service Co., Ltd.	Korea	Energy business	SK Innovation Co., Ltd	51.00%	51.00%
Yeouju Energy Service Co., Ltd.	Korea	Energy business	SK Innovation Co., Ltd	100.00%	100.00%
SK E&S Hong Kong Co., Ltd.	Hong Kong	City gas business	SK Innovation Co., Ltd	100.00%	100.00%
PRISM Energy International Australia (formely, SK E&S Australia Pty. Ltd.)	Australia	Resource development	SK Innovation Co., Ltd	100.00%	100.00%
Prism Energy International Americas, Inc. (formerly, SK E&S Americas, Inc.)	USA	Holding company	SK Innovation Co., Ltd	100.00%	100.00%
Boryeong BlueHy Co., Ltd.	Korea	Industrial gas manufacturing industry	SK Innovation Co., Ltd	100.00%	100.00%
Energy Solution Holdings Inc.	USA	Investment	PRISM Energy International Americas, Inc.	100.00%	100.00%
LNG Americas, Inc.	USA	LNG business	PRISM Energy International Americas, Inc.	100.00%	100.00%
LAI CCS, LLC	USA	Carbon Collection and Storage-Related Investment Projects	LNG Americas, Inc.	100.00%	100.00%
DewBlaine Energy, LLC	USA	Resource development	LNG Americas, Inc.	100.00%	100.00%
Passkey, Inc.	USA	New regeneration business	PRISM Energy International Americas, Inc.	100.00%	100.00%
Mobility Solution I Inc.	USA	Holding Company	Passkey, Inc.	92.80%	92.15%
Mobility Solution II Inc.	USA	Holding Company	Mobility Solution I Inc.	100.00%	100.00%
EverCharge, Inc.	USA	Software development	Mobility Solution II Inc.	100.00%	100.00%
EverCharge Services, LLC	USA	Electricity business and other electric wire installation business	EverCharge, Inc.	100.00%	100.00%
Rnes Investments, LLC	USA	Investment	LNG Americas, Inc.	100.00%	100.00%
Rnes Holdings, LLC	USA	Renewable / electric power business	LNG Americas, Inc.	100.00%	100.00%
Grid Solution, LLC	USA	New regeneration business	Rnes Holdings, LLC	85.31%	85.31%
ArkN, LLC	USA	Energy solution	Rnes Holdings, LLC	100.00%	100.00%
Ark1, LLC	USA	Energy solution	ArkN, LLC	100.00%	100.00%
Key Capture Energy, LLC	USA	Energy solution	Grid Solution, LLC.	98.24%	98.24%
KCE Global Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE PF Holdings 2021, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE LAND Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%

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1. Corporate information (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership(*1)	
				December 31, 2024	December 31, 2023
KCE MN 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE AR 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NM 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
Grid Solution II, LLC	USA	Energy solution	Rnes Holdings, LLC	100.00%	100.00%
Prism Energy International Pte. Ltd.	Singapore	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Fajar Energy International Pte. Ltd.	Singapore	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
Prism Energy International Hong Kong, Ltd.	Hong Kong	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
PT Prism Nusantara International	Indonesia	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
Prism Energy International China Limited	China	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Prism Energy International Zhoushan Limited	China	LNG business	Prism Energy International China Limited	100.00%	100.00%
SK E&S Dominicana S.R.L	Dominica	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Hae-Ssal Solar Power Co., Ltd.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
Prism DLNG Pte. Ltd.	Singapore	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
Prism Darwin Pipeline Pty. Ltd.	Australia	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
BU12 Australia Pty. Ltd.	Australia	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
BU13 Australia Pty. Ltd.	Australia	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
ARIUL SOLAR POWER CO.,LTD.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
Busan Jungkwan Energy Co., Ltd.	Korea	Integrated energy service	SK Innovation Co., Ltd	100.00%	100.00%
IGE Co., Ltd.	Korea	Hydrogen business	SK Innovation Co., Ltd	100.00%	100.00%
Dangjin Haengbok Solar Co., Ltd.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
BUSA SOLAR POWER CO., LTD.	Korea	New regeneration business	SK Innovation Co., Ltd	70.00%	70.00%
NEW RENEWABLE ENERGY NO.1 Joint Stock Company	Vietnam	New regeneration business	SK Innovation Co., Ltd	99.99%	99.99%
E&S CITYGAS CO., LTD.	Korea	Holding company	SK Innovation Co., Ltd	100.00%	-
E&S CITYGAS BUSAN CO., LTD.	Korea	Holding company	SK Innovation Co., Ltd	100.00%	-
SK Telecom Co., Ltd. (*2)	Korea	Mobile telecommunications	SK Inc.	30.57%	30.01%
SK Telink Co., Ltd.	Korea	International call and MVNO business	SK Telecom Co., Ltd.	100.00%	100.00%
SK Broadband Co., Ltd.	Korea	Wire communications	SK Telecom Co., Ltd.	99.10%	74.38%
Home&Service Co., Ltd.	Korea	Information and communication facilities management business	SK Broadband Co., Ltd.	100.00%	100.00%
Media S Co., Ltd.	Korea	Broadcasting program production	SK Broadband Co., Ltd.	100.00%	100.00%
SK Stoa Co., Ltd.	Korea	Other resale communication business	SK Telecom Co., Ltd.	100.00%	100.00%
PS&Marketing Corp	Korea	Resale communication business	SK Telecom Co., Ltd.	100.00%	100.00%
SK M & Service Co., Ltd.(*7)	Korea	Providing databases and online information	PS&Marketing Corp	100.00%	100.00%
Service Ace Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%	100.00%
Service Top Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%	100.00%
SK O&S Co., Ltd.	Korea	Maintenance management	SK Telecom Co., Ltd.	100.00%	100.00%
NATE Communications Corporation (formerly, SK Communications Co., Ltd.)	Korea	Internet portal service	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom China Holdings Co., Ltd.	China	Holding company	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom Americas, Inc.	USA	Management consulting and information gathering	SK Telecom Co., Ltd.	100.00%	100.00%
Global AI Platform Corporation	USA	Other(AI)	SK Telecom Americas, Inc.	100.00%	100.00%
Global AI Platform Corporation Korea Co., Ltd.	Korea	Other(AI)	SK Telecom Americas, Inc.	100.00%	100.00%
YTK Investment, Ltd.	Cayman	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
Atlas Investment, Ltd.	Cayman	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom Innovation Fund, L.P.	USA	Investment	Atlas Investment Ltd.	100.00%	100.00%
SK Telecom Japan Inc.	Japan	Management consulting and information gathering	SK Inc., SK innovation Co., Ltd., SK Telecom Co., Ltd.	74.73%	66.00%
Happy Hanool Co., Ltd.	Korea	Service	SK Telecom Co., Ltd.	100.00%	100.00%
SK MENA Investment B.V.	Netherlands	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
SK Latin Americas Investment S.A.	Spain	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
Freedom Circle Capital, Inc	USA	Investment	SK Latin Americas Investment S.A.	100.00%	100.00%
Montague ESG Capital, LLC	USA	Investment	Freedom Circle Capital, Inc	100.00%	100.00%
SK Technology Innovation Company	Cayman	Research and development	SK Telecom Co., Ltd.	96.88%	96.88%
Sapeon Inc.	USA	Non-memory and others Electronic Integrated circuit manufacturing	SK Telecom Co., Ltd.	75.01%	75.01%
ASTRA AI infra LLC	USA	Investment	SK Telecom Co., Ltd.	100.00%	-
SK Square Co., Ltd. (*2)	Korea	Investment	SK Inc.	31.50%	30.55%
Onestore Co., Ltd. (*11)	Korea	Telecommunication service	SK Square Co., Ltd.	45.80%	46.44%
ROKMEDIA	Korea	Publication and telemarketing	Onestore Co., Ltd.	100.00%	100.00%
Infracommunications Co., Ltd.	Korea	Service management	Onestore Co., Ltd.	100.00%	100.00%
11street Co., Ltd. (*4)	Korea	E-commerce	SK Square Co., Ltd.	98.10%	98.10%
11street China Co., Ltd.	China	Managing Director Agency Service	11street Co., Ltd.	100.00%	100.00%
SK Planet Co., Ltd.	Korea	Telecommunication service and system software development and supplying	SK Square Co., Ltd.	86.26%	86.26%
SK Planet Global Holdings Pte. Ltd.	Singapore	Investment	SK Planet Co., Ltd.	100.00%	100.00%
SK Square Americas, Inc	USA	Investment	SK Square Co., Ltd.	100.00%	100.00%
Dreamus Company (*2)	Korea	Video and audio equipment manufacturing	SK Square Co., Ltd.	38.67%	51.44%
Iriver Enterprise Ltd.	Hong Kong	Chinese subsidiary management	Dreamus Company	100.00%	100.00%
Iriver China Co., Ltd.	China	MP3,4 production and sales	iriver Enterprise Ltd.	100.00%	100.00%
Dongguan iriver Electronics Co., Ltd.	China	Electronic book production and sales	iriver Enterprise Ltd.	100.00%	100.00%
Life Design Company Inc.	Japan	Japan goods sales	Dreamus Company	100.00%	100.00%
Id Quantique SA	Switzerland	Quantum information and communication business	SK Square Co., Ltd.	75.24%	74.76%
Id Quantique Ltd.	Korea	Quantum information and communication business	id Quantique SA	100.00%	100.00%
ID Quantique Limited, UK	UK	Quantum information and communication business	id Quantique SA	100.00%	100.00%
ID Quantique Inc, USA	USA	Quantum information and communication business	id Quantique SA	100.00%	100.00%
Nutshell Quantum-Safe GmbH (formely, ID Quantique Europe GmbH)	Austria	Quantum information and communication business	id Quantique SA	100.00%	100.00%
Alice und Bob Privatstiftung	Austria	System software development and supplying	id Quantique SA	100.00%	100.00%
FSK L&S Co., Ltd.	Korea	Cargo transport shipment and logistics consulting project	SK Square Co., Ltd.	60.00%	60.00%
FSK L&S (Shanghai) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S (Hungary) Co., Ltd.	Hungary	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%

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Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership(*1)	
				December 31, 2024	December 31, 2023
FSK L&S (Vietnam) Co., Ltd.	Vietnam	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S(Jiangsu) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S (America) Co., Ltd.	USA	International freight forwarding industry	FSK L&S Co., Ltd.	100.00%	100.00%
Incross Co., Ltd. (*2)	Korea	Media agency	SK Square Co., Ltd.	36.06%	36.06%
Mindknock Co., Ltd.	Korea	Software development	Incross Co., Ltd.	100.00%	100.00%
Tmap Mobility Co., Ltd. (*5)	Korea	Information and communication industry	SK Square Co., Ltd.	62.43%	62.45%
YLP Inc.	Korea	Cargo transport shipment business	Tmap Mobility Co., Ltd.	100.00%	100.00%
Good service Co., Ltd.	Korea	Driving agency service	Tmap Mobility Co., Ltd.	100.00%	100.00%
Seoul Airbus Co., Ltd.	Korea	Transportation industry	Tmap Mobility Co., Ltd.	100.00%	100.00%
LOGISOFT. CO., LTD.	Korea	Software development and presenting	Tmap Mobility Co., Ltd.	100.00%	100.00%
TGC Square Pte. Ltd.	Singapore	Investment	SK Square Co., Ltd.	100.00%	100.00%
SK Networks Co., Ltd. (*2)	Korea	Distribution and trading business	SK Inc.	43.90%	41.20%
SK Networks Service Co., Ltd.	Korea	Equipment repair service	SK Networks Co., Ltd.	100.00%	100.00%
SK Magic Co., Ltd.	Korea	Household appliances manufacturing, sales and rent	SK Networks Co., Ltd.	100.00%	100.00%
SK Magic Service Co., Ltd.	Korea	House appliances repair and others	SK Magic Co., Ltd.	100.00%	100.00%
SK Magic Vietnam Company Limited	Vietnam	Household appliances sales and rent	SK Magic Co., Ltd.	100.00%	100.00%
SK Magic Retail Malaysia Sdn. Bhd.	Malaysia	Household appliances sales and rent	SK Magic Co., Ltd.	100.00%	100.00%
POSK (Pinghu) Steel Processing Center Co., Ltd.	China	Steel processing and sales	SK Networks Co., Ltd.	80.00%	80.00%
SK Networks Japan Co., Ltd.	Japan	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
SK BRASIL LTDA	Brazil	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
Networks Tejarat Pars	Iran	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
MINTIT Co., Ltd.	Korea	Wholesale and commodity brokerage	SK Networks Co., Ltd.	100.00%	100.00%
MINTIT VINA	Vietnam	Manufacturing and sales business	MINTIT Co., Ltd.	100.00%	100.00%
Phnyx Lab LLC	USA	AI solution	Hico Capital LLC	100.00%	-
SK Networks Hong Kong Ltd.	Hong Kong	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks (Xiamen) Steel Processing Center Co., Ltd.	China	Steel processing and sales	SK Networks Hong Kong Ltd.	100.00%	100.00%
SK Networks Resources Australia (Wyong) Pty Ltd.	Australia	Resource development	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks Resources Pty Ltd. (*7)	Australia	Resource development	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks (China) Holdings Co., Ltd. (*7)	China	Holding company	SK Networks Co., Ltd.	100.00%	100.00%
Shenyang SK Bus Terminal Co., Ltd. (*7)	China	Transportation industry	SK Networks (China) Holdings Co., Ltd.	75.00%	75.00%
SK Networks (Dandong) Energy Co., Ltd.	China	Petroleum sales	SK Networks (China) Holdings Co., Ltd.	100.00%	100.00%
Cartini Co., Ltd.	Korea	E-commerce retail business	SK Networks Co., Ltd.	100.00%	100.00%
En-core Co.,Ltd.	Korea	Service and wholesale and retail	SK Networks Co., Ltd.	93.37%	88.47%
Hico Capital LLC.	USA	Investment	SK Networks Co., Ltd.	100.00%	100.00%
Hico GP I, LLC	USA	Investment	Hico Capital LLC	100.00%	-
Bow-Hico Silicon Valley Fund, LP	USA	Investment	Hico Capital LLC	84.96%	-
Hico Ventures I, L.P.	USA	Investment	Bow-Hico Silicon Valley Fund, LP	100.00%	-
Hico Management LLC	USA	Investment	Hico Capital LLC	100.00%	-
SK speedmate Co., Ltd.	Korea	Automotive Products and Parts	SK Networks Co., Ltd.	100.00%	-
Glowide Co., Ltd	Korea	Export Business, Wholesale of Chemical Products	SK Networks Co., Ltd.	100.00%	-
SK Networks (Shanghai) Co., Ltd.	China	Trading Business	Glowide Co., Ltd.	100.00%	100.00%
SKC Co., Ltd. (*2)	Korea	Petrochemicals manufacturing	SK Inc.	40.64%	40.64%
SK Enpulse Co., Ltd.	Korea	Manufacturing and sales of semiconductor parts, materials and others	SKC Co., Ltd.	99.05%	96.49%
Techdream Co., Ltd	Hong Kong	Semiconductor component	SK Enpulse Co., Ltd.	100.00%	100.00%
Enpulse America Co., Ltd (formerly, Enpulse America Corporation)	USA	Telecommunication equipment sales	SK Enpulse Co., Ltd.	100.00%	100.00%
SKC PU Specialty Co., Ltd.	Hong Kong	SPC	SKC Co., Ltd.	100.00%	100.00%
SK picglobal Co., Ltd.	Korea	PG and PO manufacturing and sales	SKC Co., Ltd.	51.00%	51.00%
SK Nexilis Co., Ltd.	Korea	Manufacturing of battery foil and others	SKC Co., Ltd.	100.00%	100.00%
Nexilis Management Malaysia Sdn. Bhd.	Malaysia	SPC	SK Nexilis Co., Ltd.	100.00%	100.00%
SK Nexilis Malaysia Sdn. Bhd.	Malaysia	Manufacturing of battery foil	Nexilis Management Malaysia Sdn. Bhd.	100.00%	100.00%
SK Nexilis Poland Sp.z o.o.	Poland	Manufacturing of battery foil	NEXILIS MANAGEMENT EUROPE B.V.	100.00%	100.00%
NEXILIS MANAGEMENT EUROPE B.V.	Netherlands	SPC	SK Nexilis Co., Ltd.	100.00%	100.00%
SK LEAVEO CO., LTD.(formerly, Ecovance Co., Ltd.)	Korea	Manufacturing of biodegradable plastic materials and others	SKC Co., Ltd.	77.05%	68.10%
Ecovance Vietnam Company Limited	Vietnam	Manufacturing of biodegradable plastic materials and others	SK LEAVEO CO., LTD.	94.90%	100.00%
Ultimus Co., Ltd.(*7)	Korea	Secondary battery material	SKC Co., Ltd.	51.00%	51.00%
NEX Investment Limited	UK	SPC	SKC Co., Ltd.	80.52%	80.10%
NEX UK Holdings Limited	UK	SPC	NEX Investment Limited	51.00%	51.00%
Absolics Inc.	USA	Manufacture of semiconductor glass substrates	SKC Co., Ltd.	70.05%	70.05%
ISC Co., Ltd. (*2)	Korea	Manufacturing	SKC Co., Ltd.	45.03%	45.03%
ISC International, Inc.	USA	Brokerage	ISC Co., Ltd.	80.00%	80.00%
ISC Vina Manufacturing Company Limited	Vietnam	Manufacturing	ISC Co., Ltd.	100.00%	100.00%
ISC Japan R&D Center	Japan	Manufacturing	ISC Co., Ltd.	100.00%	100.00%
ITMTC Co.,Ltd.	Korea	Manufacturing	ISC Co., Ltd.	100.00%	100.00%
Smatech Inc.	Japan	Manufacturing	ISC Co., Ltd.	70.42%	70.42%
Smart Window Inc., Limited	Hong Kong	Investment	SKC Co., Ltd.	100.00%	-
SK Ecoplant Co., Ltd.	Korea	Construction	SK Inc.	64.69%	44.48%
Seosuwon Development Company (*2)	Korea	Real estate development	SK Ecoplant Co., Ltd.	19.90%	19.90%
SKEC Nanjing Co., Ltd.	China	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
Changzhou SKY New Energy Co., Ltd.	China	Construction	SKEC Nanjing Co., Ltd.	100.00%	100.00%
Jiangsu Sky New Energy Co., Ltd.	China	Investment	SKEC Nanjing Co., Ltd.	100.00%	100.00%
SKEC (Thai), Ltd.	Thailand	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
Thai Woo Ree Engineering Co., Ltd.	Thailand	Construction	SKEC (Thai), Ltd.	99.77%	99.77%
SKEC Anadolu, LLC	Turkey	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
SK Ecoplant Americas Corporation	USA	Fuel cell and construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
HCM002, LLC	USA	Holding company	SK Ecoplant Americas Corporation	100.00%	-
HCP002, LLC	USA	Holding company	HCM002, LLC	100.00%	-
Mesa Verde RE Ventures, LLC	USA	Real estate development	SK Ecoplant Americas Corporation	100.00%	100.00%

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				December 31, 2024	December 31, 2023
BT FC LLC	USA	Construction	SK Ecoplant Americas Corporation	100.00%	100.00%
KARON 1ST CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
HOLRIDEU 1ST CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
HK Dragon The 2nd Co., Ltd. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
DS 1ST CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
MISAN 1ST CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
WALEEALÉE 1ST CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
BIWALEE 2ND CO.,LTD. (*10)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
Sunlake Co., Ltd.	Canada	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
SKEC Consultores Ecuador, S.A.	Ecuador	Construction	Sunlake Co., Ltd.	100.00%	100.00%
SK HOLDCO PTE. LTD.	Singapore	Investment	SK Ecoplant Co., Ltd.	63.51%	63.51%
Silvertown Investco Limited.	UK	Investment	SK Ecoplant Co., Ltd.	100.00%	100.00%
Seongju Tech Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%	100.00%
RenewUs Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	Korea	Operation of sewage treatment plant	SK Ecoplant Co., Ltd.	100.00%	100.00%
renewland Singyeongju Co., Ltd. (formerly, Samwon ENT Co., Ltd.)	Korea	Disposal of waste	RenewUs Co., Ltd.	100.00%	100.00%
renewland Gyeongju Co., Ltd. (formerly, YS TEC Co., Ltd.)	Korea	Waste incineration	RenewUs Co., Ltd.	100.00%	100.00%
renewliquid Seonam Co., Ltd. (formerly, Seonam Environment Energy Co., Ltd.)	Korea	Waste incineration	RenewUs Co., Ltd.	100.00%	100.00%
renew Liquid Honam Co., Ltd. (formerly, Honam Environmental Energy Co., Ltd.)	Korea	Waste incineration	RenewUs Co., Ltd.	100.00%	100.00%
Green Hwasun Inc.	Korea	Operation of sewage treatment plant	RenewUs Co., Ltd.	100.00%	100.00%
Green Sunchang INC.	Korea	Operation of sewage treatment plant	RenewUs Co., Ltd.	100.00%	100.00%
Gyeongsan Clean Waterway Co., Ltd.	Korea	Operation of sewage treatment plant	RenewUs Co., Ltd.	100.00%	100.00%
Dalsung Clean Waterway Co., Ltd.	Korea	Operation of sewage treatment plant	RenewUs Co., Ltd.	100.00%	100.00%
Gokseong Environment Co., Ltd.	Korea	Operation of sewage treatment plant	RenewUs Co., Ltd.	100.00%	100.00%
renewenergy Chungcheong Co., Ltd. (formerly, Chungcheong Environment Energy Corporation)	Korea	Waste incineration and disposal	RenewUs Co., Ltd.	100.00%	100.00%
renewenergy Gyeonggi Co., Ltd. (formerly, Gyeonggi Environment Energy Co., Ltd.)	Korea	Waste incineration and renewable energy	RenewUs Co., Ltd.	100.00%	100.00%
renewenergy Gyeongbuk Co., Ltd. (formerly, Gyeongbuk Environment Energy Co., Ltd.)	Korea	Waste incineration and renewable energy	RenewUs Co., Ltd.	100.00%	100.00%
renewenergy Gyeongin Co., Ltd. (formerly, Gyeongin Environment Energy Company)	Korea	Waste incineration and renewable energy	RenewUs Co., Ltd.	100.00%	100.00%
Renewlogis Industry Co., Ltd.	Korea	Designated waste collection and transportation	RenewUs Co., Ltd.	100.00%	-
RenewOne Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%	100.00%
Renewcon Daewon Co., Ltd.	Korea	Construction waste collection and transportation	RenewOne Co., Ltd.	100.00%	100.00%
Renewlogis Co., Ltd.	Korea	Designated waste collection and transportation	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Chungnam Co., Ltd.	Korea	Interim medical waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Saehan Co., Ltd.	Korea	Non-designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Jeonnam Co., Ltd.	Korea	Designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Metro Co., Ltd.	Korea	Designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Green Co., Ltd.	Korea	Designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewenergy Daewon Co., Ltd.	Korea	Designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
Renewland Cheongju Co., Ltd.	Korea	Non-designated waste disposal	RenewOne Co., Ltd.	100.00%	100.00%
KS Investment B.V.	Netherlands	Investment	SK Ecoplant Co., Ltd.	72.51%	72.51%
DongNam Offshore Windfarm Co. Ltd	Korea	Power generation	SK Ecoplant Co., Ltd.	100.00%	100.00%
GANGDONG GREEN COMPLEX AP Development Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	78.83%	87.00%
ECOPLANT HOLDING MALAYSIA SDN. BHD.	Malaysia	Solar power generation	SK Ecoplant Co., Ltd.	100.00%	100.00%
Eco Frontier (Singapore) Pte. Ltd.	Singapore	Holding company	SK Ecoplant Co., Ltd.	100.00%	100.00%
Changwon SG Energy Co., Ltd	Korea	Investment	SK Ecoplant Co., Ltd.	78.63%	78.63%
Renewenergy Chungbuk Co., Ltd.	Korea	Other Power Generation business	SK Ecoplant Co., Ltd.	65.10%	65.10%
SK Tes Pte. Ltd. (formerly, Tes-Envirocorp Pte. Ltd.)	Korea	Disposal of waste and others	SK Ecoplant Co., Ltd.	72.24%	72.24%
Tes-Amm (H.K.) Limited	Singapore	E-waste processing industry	Eco Frontier (Singapore) Pte. Ltd	97.14%	97.14%
Tes-Amm (Singapore) Pte. Ltd.	Hong Kong	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes Total Environmental Solution Ab	Singapore	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes-Amm Italia Srl	Sweden	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm UK Ltd	Italy	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm Espana Asset Recovery And Recycling, S.L.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm SAS	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm Central Europe GmbH	Spain	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Vsl Support Limited	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Technology Supplies International Ltd.	Germany	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Goldberg Enterprises Ltd.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes Consumer Solutions Ltd.	UK	E-waste processing industry	Technology Supplies International Ltd.	100.00%	100.00%
Integrations Et Services	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm (Europe) Ltd.	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Redeem UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Redeem Holdings Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Custom Controllers UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Envirofone Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Cash For Tech Ltd.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Stock Must Go Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
TES Netherlands B.V.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
SK Tes Ireland Limited	Netherlands	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes China Holdings Pte. Ltd.	Ireland	Non-designated waste collection and transportation business	Tes-Amm Europe Holdings Ltd	100.00%	-
Tes-Amm Corporation (China) Ltd.	Singapore	Investment	Tes-Amm (Singapore) Pte. Ltd.	100.00%	100.00%
Shanghai Tes-Amm Xin New Materials Co., Ltd.	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Tes-Amm (Beijing) Co., Ltd.	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	80.00%	80.00%
Tes-Amm (Suzhou) E-Waste Solutions Co., Ltd.	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Tes-Amm (Guangzhou) Co., Ltd.	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%

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Shanghai Tes-Amm Waste Products Recycle Co., Ltd.	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Shanghai Taixiang Network Technology Co., Ltd.	China	E-waste processing industry	Shanghai Tes-Amm Waste Products Recycle Co., Ltd	100.00%	100.00%
Tes-Amm Europe Holdings Ltd	UK	Investment	Tes China Holdings Pte. Ltd.	100.00%	100.00%
Tes-Amm Australia Pty Ltd.	Australia	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions (Australia) Pty Ltd.	Australia	E-waste processing industry	Tes-Amm Australia Pty Ltd	100.00%	100.00%
Tes-Amm New Zealand Limited	New Zealand	E-waste processing industry	Tes-Amm Australia Pty Ltd	100.00%	100.00%
Sustainable Product Stewards Pty Ltd.	Australia	E-waste processing industry	Tes-Amm Australia Pty Ltd	80.00%	80.00%
Tes-Amm Japan K.K.	Japan	E-waste processing industry	SK Tes Pte. Ltd.	80.00%	80.00%
Advanced Datacom (Australia) Pty Ltd.	Australia	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Green Technology Management Pty Ltd.	Australia	E-waste processing industry	Advanced Datacom (Australia) Pty Ltd	100.00%	100.00%
Tes-Amm (Malaysia) Sdn. Bhd.	Malaysia	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes-Amm (Taiwan) Co., Ltd.	Taiwan	E-waste processing industry	SK Tes Pte. Ltd.	70.00%	70.00%
Total Environmental Solutions Co., Ltd.	Thailand	E-waste processing industry	SK Tes Pte. Ltd.	98.00%	98.00%
Tes-Amm (Cambodia) Co., Ltd.	Cambodia	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Pt. Tes-Amm Indonesia	Indonesia	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes USA, Inc.	USA	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Genplus Pte. Ltd.	Singapore	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	60.17%
Tes Energy Solutions Pte. Ltd.	Singapore	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes Ess Pte. Ltd.	Singapore	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes B Pte. Ltd.	Singapore	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions B.V.	Netherlands	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes SBS (US) Holdings LLC	USA	Investment	Tes Sustainable Battery Solutions B.V.	100.00%	100.00%
Tes Sustainable Battery Solutions GmbH	Germany	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions Limited Liability Company	Hungary	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions Nordics AB	Sweden	Non-designated waste disposal business	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions France	France	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	90.00%	90.00%
Tes Sustainability Products Pte. Ltd.	Singapore	E-waste processing industry	SK Tes Pte. Ltd.	100.00%	100.00%
Tes C Pte. Ltd.	Singapore	E-waste processing industry	Tes Sustainability Products Pte. Ltd.	100.00%	100.00%
SK Oceanplant Co., Ltd. (*2)	Korea	Steel pipe manufacturing	SK Ecoplant Co., Ltd.	37.60%	37.60%
SAM KANG S&C Co., Ltd.	Korea	Shipbuilding industry	SK Oceanplant Co., Ltd.	96.60%	96.60%
Goseong Oceanplant Co., Ltd.	China	Import and Export Business	SK Oceanplant Co., Ltd.	100.00%	-
GOSEONG OCEANPLANT VINA	Vietnam	Import and Export Business	SK Oceanplant Co., Ltd.	100.00%	-
Econovation, LLC	USA	Holding company	SK Ecoplant Co., Ltd.	100.00%	100.00%
Topsun Co., Ltd. (*2)	Korea	Solar modules, battery manufacturing industry	Individual	19.69%	19.69%
Wind Energy Co., Ltd.	Korea	Construction of wind power facilities industry	Topsun Co., Ltd.	100.00%	100.00%
Janggam Solar Co., Ltd.	Korea	Solar power construction industry	Topsun Co., Ltd.	100.00%	100.00%
GoiSolar Co., Ltd.	Korea	Solar power construction industry	Topsun Co., Ltd.	100.00%	100.00%
Top Operation Co., Ltd.	Korea	Construction of wind power facilities industry	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.24 Co., Ltd.	Korea	Construction of wind power facilities industry	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.3 Co., Ltd.	Korea	Wind power generation	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.9 Co., Ltd.	Korea	Solar power industry	Topsun Co., Ltd.	100.00%	100.00%
HamgumSolar Co., Ltd.	Korea	Construction of solar power plant industry	Topsun Co., Ltd.	100.00%	100.00%
Keumoh Energy Co., Ltd.	Korea	Solar power construction industry	Topsun Co., Ltd.	50.10%	50.10%
Mungyeong Solar Farm Co., Ltd.	Korea	Solar power generation industry	Topsun Co., Ltd.	100.00%	100.00%
SK ecoengineering Co., Ltd. (*12)	Korea	Construction industry and others	SK Ecoplant Co., Ltd.	100.00%	100.00%
Ecoengineering Canada Ltd.	Canada	Construction	SK ecoengineering Co., Ltd.	100.00%	100.00%
Soltinz N Pte. Ltd.	Singapore	Investment	SK Ecoplant Co., Ltd.	100.00%	100.00%
SG (Solar Green) Vina Company Limited	Vietnam	Other Power Generation business	Soltinz N Pte. Ltd.	100.00%	-
H Solution Co., Ltd.	Korea	Non-designated waste collection and transportation business	SK Ecoplant Co., Ltd.	55.00%	-
SK Specialty Co., Ltd. (*7)	Korea	Special gas manufacturing and sales	SK Inc.	100.00%	100.00%
SK Specialty Japan Co., Ltd.	Japan	Special gas sales	SK Specialty Co., Ltd.	95.00%	95.00%
SK Specialty Taiwan Co., Ltd.	Taiwan	Special gas sales	SK Specialty Co., Ltd.	100.00%	100.00%
SK Specialty Jiangsu Co., Ltd.	China	Special gas manufacturing and sales	SK Specialty Co., Ltd.	100.00%	100.00%
SK Specialty Xian Co., Ltd.	China	Trading business and warehouse operation	SK Specialty Co., Ltd.	100.00%	100.00%
SK Specialty Shanghai Co., Ltd.	China	Special gas sales	SK Specialty Co., Ltd.	100.00%	100.00%
Happy Companion Co., Ltd.	Korea	Cleaning and laundry service	SK Specialty Co., Ltd.	100.00%	100.00%
SK Materials Japan, Inc.	Japan	Investment	SK Specialty Co., Ltd.	100.00%	100.00%
SK Tri Chem Co., Ltd.	Korea	Manufacturing and sales of precursors and others	SK Inc.	65.00%	65.00%
SK Resonac Corporation	Korea	Sales of raw chemical materials and chemical products related to semiconductor	SK Inc.	51.00%	51.00%
SK Materials Performance Co., Ltd.	Korea	Semiconductor materials manufacturing and selling	SK Inc.	100.00%	100.00%
SK Materials JNC Co., Ltd.	Korea	Manufacturing of organic light emitting diode material	SK Inc.	51.00%	51.00%
SK JNC Japan Co., Ltd.	Japan	Manufacturing of organic light emitting diode material	SK Materials JNC Co., Ltd.	100.00%	100.00%
SK Materials Group14 Co., Ltd.	Korea	Manufacturing	SK Inc.	75.00%	75.00%
SK Materials Group14 (Shanghai) Co., Ltd.	China	Sales of primary batteries and storage batteries	SK Materials Group14 Co., Ltd.	100.00%	100.00%
SK Siltron Co., Ltd.	Korea	Silicon wafer for electronic industry manufacturing and sales	SK Inc.	51.00%	51.00%
SK Siltron America, Inc.	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron Japan, Inc.	Japan	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron Shanghai Co., Ltd.	China	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron USA, Inc.	USA	Investment	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron CSS, LLC	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron USA, Inc.	100.00%	100.00%
SK Siltron CSS Korea Co., Ltd.	Korea	Wholesale and retail trade	SK Siltron CSS, LLC	100.00%	100.00%

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1. Corporate information (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership ⁽¹⁾	
				December 31, 2024	December 31, 2023
Happyfilling Co., Ltd.	Korea	Service	SK Siltron Co., Ltd.	100.00%	100.00%
Teraon Co., Ltd.	Korea	Manufacturing and service	SK Siltron Co., Ltd.	80.40%	80.40%
SK Biopharmaceuticals Co., Ltd.	Korea	Medicine and life science	SK Inc.	64.02%	64.02%
SK Life Science, Inc.	USA	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
SK Bio-Pharma Tech (Shanghai) Co., Ltd.	China	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
SK Life Science Labs, Inc.	USA	Development of new drugs	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
SK S.E.Asia Pte. Ltd.	Singapore	Investment	SK Ecoplant Co., Ltd.	100.00%	100.00%
Essencore Limited	Hong Kong	Manufacturing and distribution of semiconductor modules	SK S.E.Asia Pte. Ltd.	100.00%	100.00%
Essencore (ShenZhen) Limited	China	Consulting for computer system integration and others	Essencore Limited	100.00%	100.00%
Essencore Pte. Ltd.	Singapore	Manufacturing and distribution of semiconductor modules	Essencore Limited	100.00%	100.00%
SK Airplus Inc.(formerly, SK Materials Airplus Inc.)	Korea	Industrial gas sales	SK Ecoplant Co., Ltd.	100.00%	100.00%
SK China Company, Ltd.	Hong Kong	Consulting and investment	SK Inc.	88.13%	88.13%
SK Property Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%	100.00%
SK Industrial Development China Co., Ltd.	Hong Kong	Investment	SK China Company, Ltd.	100.00%	100.00%
Shanghai SKY Real Estate Development Co., Ltd.	China	Real estate investment	SK Industrial Development China Co., Ltd.	100.00%	100.00%
Beijing Lizhi Weixin Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%	100.00%
SK China Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%	100.00%
SK (Liaoning) Logistics Co., Ltd.	China	Logistics	SK China Investment Management Co., Ltd.	100.00%	100.00%
SK International Agro-Products Logistics Development Co., Ltd.	Hong Kong	Agriculture product logistics	SK China Investment Management Co., Ltd.	100.00%	100.00%
SK Jinzhou International Agro-Sideline Products Park Co., Ltd.	China	Agriculture product logistics	SK International Agro-Products Logistics Development Co., Ltd.	100.00%	100.00%
SK Jinzhou real estate development Co., Ltd.	China	Real estate Development and others	SK Jinzhou International Agro-Sideline Products Park Co., Ltd.	100.00%	100.00%
SK Auto Service Hong Kong Co., Ltd.	Hong Kong	Holding company	SK China Company, Ltd.	100.00%	100.00%
Skyline Auto Financial Leasing Co., Ltd.	Hong Kong	Investment	SK Auto Service Hong Kong Co., Ltd.	100.00%	100.00%
Tianjin SK Car Rental Co., Ltd.	China	Financial lease	SK Auto Service Hong Kong Co., Ltd.	100.00%	100.00%
SK (China) Enterprise Management Co., Ltd.	China	Consulting	SK China Company, Ltd.	100.00%	100.00%
SKY Property Management Ltd.	Virgin Island	Investment	SK China Company, Ltd.	100.00%	100.00%
Hua Lei Holdings Pte. Ltd.	Singapore	Investment	SKY Property Management Ltd.	100.00%	100.00%
SKY Enterprise Management Co., Ltd.	China	Real estate management	SK China Company, Ltd.	100.00%	100.00%
SKY (Zhuhai Hengqin) Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%	100.00%
SK C&C Beijing Co., Ltd.	China	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
SK C&C Chengdu Co., Ltd.	China	Consulting for computer system integration and others	SK C&C Beijing Co., Ltd.	100.00%	100.00%
SK C&C India Pvt. Ltd.	India	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
SK C&C USA, Inc.	USA	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
GigaX Europe kft.	Hungary	IT Service	SK C&C USA, Inc.	100.00%	100.00%
S&G Technology	Saudi Arabia	Consulting for computer system integration and others	SK Inc.	51.00%	51.00%
Saturn Agriculture Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	81.00%	81.00%
SK Investment Management Co., Ltd.	Hong Kong	Investment	SK Inc.	100.00%	100.00%
SK Mobility Investments Company Limited	Hong Kong	Investment	SK Investment Management Co., Ltd.	100.00%	100.00%
SK Semiconductor Investments Co., Ltd.	Hong Kong	Investment	SK Investment Management Co., Ltd.	100.00%	100.00%
Gemini Partners Pte. Ltd.	Singapore	Consulting	SK Innovation Co., Ltd.	80.00%	80.00%
Solaris Partners Pte. Ltd.	Singapore	Consulting	Gemini Partners Pte. Ltd.	100.00%	100.00%
Solaris GEIF Investment	USA	Investment	Solaris Partners Pte. Ltd.	100.00%	100.00%
SK GI Management	Cayman	Investment	SK Inc.	100.00%	100.00%
Plutus Capital NY, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Hudson Energy NY, LLC	USA	Investment	Plutus Capital NY, Inc.	50.13%	50.13%
Hudson Energy NY II, LLC	USA	Investment	Plutus Capital NY, Inc.	50.01%	50.01%
Hudson Energy NY III, LLC	USA	Investment	Plutus Capital NY, Inc.	50.50%	50.50%
Grove Energy Capital LLC	USA	Investment	Plutus Capital NY, Inc., PRISM Energy International Americas, Inc.	100.00%	100.00%
Grove Energy Capital II, LLC	USA	Investment	Plutus Capital NY, Inc.	100.00%	100.00%
Grove Energy Capital III, LLC	USA	Investment	Plutus Capital NY, Inc.	50.10%	50.10%
SK South East Asia Investment Pte. Ltd.	Singapore	Investment	SK Innovation Co., Ltd.	80.00%	80.00%
SK Investment Vina I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	50.01%
SK Investment Vina II Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	50.01%	50.01%
SK Investment Vina III Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
MSN Investment Pte. Ltd.	Singapore	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Imexpharm Corporation	Vietnam	Pharmaceutical manufacturing	SK Investment Vina III Pte. Ltd.	64.81%	64.79%
Linh Nam Ventures JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Lien Khuong International JSC	Vietnam	Investment	Linh Nam Ventures JSC	100.00%	100.00%
Dong Kinh Capital JSC	Vietnam	Investment	Lien Khuong International JSC	100.00%	100.00%
Lac Son Investment JSC	Vietnam	Investment	Dong Kinh Capital JSC	100.00%	100.00%
KBA Investment Joint Stock Company	Vietnam	Investment	Lac Son Investment JSC	100.00%	100.00%
Cong Thang Alpha JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Eastern Vision Investment JSC	Vietnam	Investment	Cong Thang Alpha JSC	100.00%	100.00%
Truong Luu Chi Invest JSC	Vietnam	Investment	Eastern Vision Investment JSC	100.00%	100.00%
An Nam Phu Investment JSC	Vietnam	Investment	Truong Luu Chi Invest JSC	100.00%	100.00%
Zion Son Kim JSC	Vietnam	Investment	An Nam Phu Investment JSC	100.00%	100.00%
Sunrise Kim Investment Joint Stock Company	Vietnam	Investment	Zion Son Kim JSC	100.00%	100.00%
SK Investment Vina VI Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SK Investment Vina IV Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SK Malaysia Investment I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SPX GI Holdings Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	-
SPX VINA I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	-
SK Pharmteco Inc.(#13)	USA	Investment	SK Inc.	100.00%	100.00%

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1. Corporate information (cont'd)

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership ⁽¹⁾	
				December 31, 2024	December 31, 2023
SK Biotech Co., Ltd.	Korea	Drug medicine	SK Pharmteco Inc.	100.00%	100.00%
SK BIOTEK IRELAND LIMITED	Ireland	Pharmaceutical manufacturing	SK Pharmteco Inc.	100.00%	100.00%
Crest Acquisition LLC	USA	Investment	SK Pharmteco Inc.	100.00%	100.00%
Center For Breakthrough Medicines Holdings, LLC	USA	Medicine manufacturing	Crest Acquisition LLC	58.30%	58.30%
Center For Breakthrough Medicines, LLC	USA	Medicine manufacturing	Center For Breakthrough Medicines Holdings, LLC	100.00%	100.00%
Yposkesi, SAS	France	Medicine manufacturing	Crest Acquisition LLC	82.70%	70.07%
Abrasax Investment Inc.	USA	Investment	SK Pharmteco Inc.	100.00%	100.00%
Fine Chemicals Holdings Corp.	USA	Investment	Abrasax Investment Inc.	100.00%	100.00%
AMPAC Fine Chemicals, LLC	USA	Drug medicine	Fine Chemicals Holdings Corp.	100.00%	100.00%
AMPAC Fine Chemicals Texas, LLC	USA	Drug medicine	AMPAC Fine Chemicals, LLC	100.00%	100.00%
Golden Pearl EV Solutions Limited	Hong Kong	Investment	SK Inc.	100.00%	100.00%
Socar Mobility Malaysia, Sdn. Bhd. ⁽⁹⁾	Malaysia	Car sharing service	SK Inc.	93.74%	93.74%
Future Mobility Solutions Sdn. Bhd.	Malaysia	Online brokerage services for car rental	Socar Mobility Malaysia, Sdn. Bhd.	100.00%	100.00%
Einstein Cayman Limited	Cayman	Investment	SK Inc.	100.00%	100.00%
I Cube Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
I Cube Capital Hong Kong 1. LP Limited	Hong Kong	Investment	I Cube Capital Inc.	100.00%	100.00%
Tellus Investment Partners, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Primerio Protein LLC	USA	Investment	Tellus Investment Partners, Inc.	67.26%	67.26%
Terra Investment Partners LLC	USA	Investment	Tellus Investment Partners, Inc.	82.70%	82.70%
Terra Investment Partners II, LLC	USA	Investment	Tellus Investment Partners, Inc.	100.00%	100.00%
Castanea Biosciences Inc.	USA	Investment	SK Inc.	100.00%	100.00%
SK Forest Co., Ltd.	Korea	Landscaping and planting business	SK Inc.	100.00%	100.00%
TIMOR HOLDINGS LTD. ⁽¹⁴⁾	Korea	Greenhouse gas (carbon emission rights) sales business and others	SK Forest Co., Ltd	90.90%	100.00%
Hweechan Co., Ltd.	Korea	Condo, resort operation	SK Inc.	100.00%	100.00%
SK Pinx Co., Ltd.	Korea	Golf club operating	Hweechan Co., Ltd.	100.00%	100.00%
SK REITs Management Co., Ltd.	Korea	Real estate developing and trading	SK Inc.	100.00%	100.00%
Roca Capital Inc.(formerly, SK Japan Investment Inc.)	Japan	Investment	SK Inc.	100.00%	100.00%
SK Signet Inc. ⁽⁸⁾	Korea	Electric vehicle charger manufacturing and selling	SK Inc.	-	-
SK Signet America Inc.	USA	Electric vehicle charger maintenance and technical support	SI Signet Co., Ltd.	100.00%	100.00%
SK SIGNET MANUFACTURING TEXAS LLC.	USA	Motor, generator and electrical conversion equipment manufacturing industry	SK Signet America Inc.	100.00%	100.00%
Auxo Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
SK Global Development Advisors LLC	USA	Investment	Auxo Capital Inc.	100.00%	100.00%
Auxo Capital Managers LLC	USA	Investment	Auxo Capital Inc.	90.49%	91.03%
Tellus (HONG KONG) Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	100.00%	100.00%
Digital Center Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Martis Capital, LLC	USA	Investment	Digital Center Capital Inc.	100.00%	100.00%
Tillandsia, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Energy Solution Group, Inc.	USA	Investment	SK Inc., SK Energy Co., Ltd.	100.00%	100.00%
Halio, Inc.	USA	Discolored glass manufacturing	SK Inc.	81.66%	81.66%
Kinestral Technology Taiwan Inc.	USA	Discolored glass manufacturing	Halio, Inc.	96.00%	96.00%
SK powertech	Korea	Semiconductor	SK Inc.	98.59%	98.59%
Chamaedorea, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Ackerton Technology Service Co., Ltd. ⁽⁶⁾	Korea	Computer Programming and IT Operation	SK Inc.	50.00%	50.00%
Evertech Enterprise Co., Ltd.	Korea	Manufacturing	SK Inc.	98.48%	98.20%
Areca, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
8 Rivers Capital, LLC ⁽¹⁵⁾	USA	Investment	Areca, Inc	55.60%	51.57%
Zero Degrees International, Inc.	USA	Investment	8 Rivers Capital, LLC	100.00%	100.00%
Zero Degrees Rosella Pty, Ltd.	Australia	R&D	Zero Degrees International, Inc.	100.00%	100.00%
Zero Degrees Whitetail 1, Ltd.	UK	Investment	Zero Degrees International, Inc.	100.00%	100.00%
Zero Degrees Whitetail Dev. Ltd.	UK	Investment	Zero Degrees Whitetail 1, Ltd.	100.00%	100.00%
Zero Degrees Crossbill Dev. Ltd.	UK	Investment	Zero Degrees Whitetail 1, Ltd.	100.00%	100.00%
Crossbill Clean Energy Ltd.	UK	Renewable industry	Zero Degrees Crossbill Dev. Ltd.	100.00%	100.00%
8 Rivers Europe Ltd.	UK	Office support services	Zero Degrees International, Inc.	100.00%	100.00%
Zero Degrees, LLC	USA	Investment	8 Rivers Capital, LLC	100.00%	100.00%
Meadowlark Company C, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
Meadowlark Holdings, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
Meadowlark Energy HoldCo, LLC	USA	Investment	Meadowlark Holdings, LLC	100.00%	100.00%
Meadowlark Energy, LLC	USA	Renewable industry	Meadowlark Energy HoldCo, LLC	100.00%	100.00%
Coyote Company C, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
Coyote Power Holdings, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
Coyote Clean Power, LLC	USA	Renewable industry	Coyote Power Holdings, LLC	100.00%	100.00%
Broadwing Company C, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
Broadwing Holdings, LLC	USA	Investment	Zero Degrees, LLC	100.00%	100.00%
ParkIntuit, LLC	USA	Office support services	8 Rivers Capital, LLC	100.00%	100.00%
8 Rivers Services, LLC	USA	Office support services	8 Rivers Capital, LLC	100.00%	100.00%
NPEH, LLC	USA	Investment	8 Rivers Capital, LLC	91.40%	91.40%
Cormorant Clean Energy, LLC	USA	Renewable industry	8 Rivers Capital, LLC	100.00%	100.00%
MiraiTech Inc.	Korea	Investment	SK Inc.	100.00%	-
Planeta Pte. Ltd. ⁽¹⁶⁾	Singapore	SPC	SK Inc., Prism Energy International Pte. Ltd.	76.94%	-

(*1) The equity ownership is based on ordinary shares and includes indirect investments held by the consolidated subsidiaries.

(*2) SK Networks Co., Ltd. and 10 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 Networks Co., Ltd. and 10 other companies are widely dispersed, so it is determined that the Group has voting rights to exercise de facto control.

(*3) The consolidated entity determined that it had de facto control over the subsidiary, taking into account the holding of decision-making rights on the issuance and redemption of asset backed securities and exposure to variable profits.

(*4) Although the Group's equity interests for common stock in 11Street Co., Ltd. is 98.10%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 80.26%.

(*5) Tmap Mobility Co., Ltd. has a 62.43% stake in common shares, but the preferred shares with voting rights are issued, and the share with voting rights is 60.09%.

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1. Corporate information (cont'd)

- (*6) It has been classified as an investment in subsidiaries as control can be exercised due to the potential acquisition of a blocking interest
- (*7) The assets and liabilities of SK Specialty Co., Ltd. and 6 other companies are classified as assets and liabilities held for sale, respectively. (See Note 38)
- (*8) SK Signet Co., Ltd. holds 0% of common shares but has issued voting preferred shares, resulting in a voting equity interest of 51.36%.
- (*9) Socar Mobility Malaysia, Sdn. Bhd. holds a 93.74% interest in common shares, but due to the issuance of voting preferred shares, its voting equity interest stands at 66.19%.
- (*10) Although there is no ownership interest, the entity is included in the consolidation scope considering contractual arrangements and exposure to variable returns..
- (*11) Onestore Co., Ltd. holds a 45.80% interest in common shares, but due to the issuance of voting preferred shares, its voting equity interest is 55.50%
- (*12) SK ecoengineering Co., Ltd. holds 100% of common shares, but has issued voting preferred shares, resulting in a voting equity interest of 55.60%.
- (*13) SK Pharmteco Inc. holds 100% of common shares, but has issued voting preferred shares, resulting in a voting equity interest of 86.55%.
- (*14) SKF&NHIS TIMOR HOLDINGS Ltd.holds a 90.90% interest in common shares, but due to the issuance of voting preferred shares, its voting equity interest is 50.00%.
- (*15) 8 Rivers Capital LLC holds a 55.60% interest in common shares, but due to the issuance of voting preferred shares, its voting equity interest is 66.49%.
- (*16) Planeta Pte. Ltd. holds a 76.94% interest in common shares, but due to the issuance of voting preferred shares, its voting equity interest is 66.66%.

(3) Changes in consolidated subsidiaries

1) Changes in the consolidated subsidiaries for the year ended December 31, 2024 are as follows:

December 31, 2023	Inclusion	Exclusion	December 31, 2024
716	39	106	649

2) For the year ended December 31, 2024, subsidiaries newly included in consolidation are as follows:

Subsidiaries	Reasons for changes
Airplus engineering Incorporated	Establishment
Renew Logis In The Co., Ltd.	(37 companies)
SK enterm Co., Ltd MiraiTech Inc.	
KCE MI 6, LLC	
Planeta Pte. Ltd.	
Hico GP I, LLC	
Hico Ventures I, L.P.	
Bow-Hico Silicon Valley Fund, LP	
Hico Management LLC	
H Solution Co., Ltd.KCE TX 33, LLC	
KCE NY 41, LLC	
KCE NY 42, LLC	
KCE MA 5, LLC	
KCE PF Holdings 2024, LLC	
SK speedmate Co., Ltd.Phnyx Lab LLC	
E&S Citygas	
E&S Citygas Busan	
Goseong Oceanplant Co., Ltd.	
GOSEONG OCEANPLANT VINA	
SK Tes Ireland Limited	
Smart Window Inc. Limited	
KCE NM 1, LLC	
Glowide Co., Ltd.	
HCM002, LLC	
HCP002, LLC	

SK Inc. and its subsidiaries
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1. Corporate information (cont'd)

Subsidiaries	Reasons for changes
SK Global Healthcare Business Group, Ltd.	
KCE CT 4, LLC	
SK Telecom China Fund I L.P.	
Gumbawi Solar Co., Ltd.	
Nickel Co., Ltd.	
Solarocean Co., Ltd.	
TS Energy No. 5 Co., Ltd.	
Topsun solar No. 2 Co., Ltd.	
TS Energy No. 15 Co., Ltd.	
TS Energy Co., Ltd.	
SK pucore Co., Ltd.	
Woori Fine Chem Co., Ltd.	
Enpulse Shanghai Co., Ltd.	
SKC (Nantong) PU Specialty Co., Ltd.	
Enpulse Taiwan Co., Ltd.	
SK pucore Europe sp. z o.o.	
SK pucore USA Inc.	
SK pucore Mexico, S. de R.L. de C.V.	
SK pucore India Pvt. Ltd.	
SK pucore RUS LLC	
Gold Co., Ltd.	
Nejinmok Solar Co., Ltd.	
Admi Solar Co., Ltd.	
Backya Energy Co., Ltd.	
Dooryu Energy Co., Ltd.	
Seongso Solar Co., Ltd.	
Shinchu Energy Co., Ltd.	
Soak Energy Co., Ltd.	
Sangjeong Solar Co., Ltd.	
Joosuck Co., Ltd.	
Silver Co., Ltd.	
Eneman Energy Co., Ltd.	
Joochul Co., Ltd.	
CBK Energy Co., Ltd.	
Sinho Solar Co., Ltd.	
TS Energy No. 6 Co., Ltd.	
TS Energy No. 30 Co., Ltd.	
Sodoo Energy Co., Ltd.	
Dongmae Solar Co., Ltd.	
Gaedo Energy Co., Ltd.	
Bongri Energy Co., Ltd.	
Bunmugol Energy Co., Ltd.	
Naru Solar Co., Ltd.	
Nari Solar Co., Ltd.	
Chopo Energy Co., Ltd.	
SE (JIANGSU) Electronic Materials Co., Ltd.	
SKC-ENF Electronic Materials Ltd.	
SKC (Nantong) Semiconductor Materials Technology Co., Ltd.	
SKC Solmics Hong Kong Co., Ltd.	
SKC Semiconductor Materials (Wuxi) Co., Ltd.	
Car Life Service Co., Ltd.	
SK RENT A CAR CO., LTD.	
ISCM CO., Ltd.	
Atlas NY LLC	
Atom Power, Inc.	
Atom Technology LLC	
PT Future Mobility Solutions	
DY INDUS CO., LTD.	
DY Polymer Co., Ltd.	
AMPAC Fine Chemicals Virginia, LLC	

Disposal
(57 companies)

SK Inc. and its subsidiaries
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1. Corporate information (cont'd)

(4) Condensed financial information of significant consolidated subsidiaries

Details of condensed financial information of the significant subsidiaries as of and for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

Subsidiaries	December 31, 2024					
	Assets	Liabilities	Equity	Sales	Net income (loss)	
SK Innovation Co., Ltd.	₩ 35,027,981	₩ 13,732,615	₩ 21,295,366	₩ 1,874,894	₩ 277,982	
SK Energy Co., Ltd.	17,237,737	13,123,135	4,114,602	43,278,264	(502,425)	
SK Geo Centric Co., Ltd.	7,033,118	4,026,150	3,006,968	11,501,052	(126,448)	
SK Geo Centric International Trading (Shanghai) Co., Ltd.	196,037	152,304	43,733	1,225,573	9,192	
SK Incheon Petrochem Co., Ltd.	5,588,977	4,279,289	1,309,688	10,728,379	(113,151)	
SK Energy International Pte., Ltd.	4,210,534	3,096,836	1,113,698	38,829,037	91,215	
SK Energy Europe, Ltd.	501,871	362,118	139,753	3,779,132	17,880	
SK Energy Americas, Inc.	737,322	665,717	71,605	9,283,489	(14,171)	
SK Enmove Co., Ltd.	3,085,405	1,832,158	1,253,247	4,053,168	326,517	
SK Enmove Europe B.V.	356,302	325,615	30,687	1,109,962	3,440	
SK ie technology Co., Ltd.	2,298,085	454,262	1,843,823	128,867	(164,464)	
SK hi-tech Battery Materials Poland Sp. Zo.o.	2,606,033	1,082,858	1,523,175	105,286	(9,978)	
SK On Co., Ltd.	22,438,205	12,473,762	9,964,443	7,599,626	(984,560)	
SK On Hungary Kft	6,327,940	4,205,261	2,122,679	1,343,651	(31,871)	
SK On Jiangsu Co., Ltd.	2,157,876	937,091	1,220,785	1,505,192	4,554	
SK Battery America, Inc.	12,452,405	8,500,014	3,952,391	1,638,766	(792,636)	
Blueoval SK, LLC	18,034,333	6,111,817	11,922,516	-	(147,066)	
SK Battery Manufacturing Kft.	2,339,430	1,877,204	462,226	1,003,592	(27,796)	
SK Telecom Co., Ltd.	24,585,626	13,624,772	10,960,854	12,774,060	1,280,484	
SK Broadband Co., Ltd.	6,806,280	3,760,426	3,045,854	4,415,270	263,967	
PS&Marketing Corp.	448,887	218,885	230,002	1,382,361	63	
SK Square Co., Ltd.	7,117,505	609,001	6,508,504	177,465	(179,595)	
SK Networks Co., Ltd.	3,587,624	1,775,876	1,811,748	5,900,595	2,482	
SKC Co., Ltd.	2,900,714	1,358,937	1,541,777	205,563	(272,216)	
SK PIC Global Co., Ltd.	666,087	487,355	178,732	1,190,894	(41,818)	
SK Nexilis Co., Ltd.	2,587,332	1,469,670	1,117,662	68,535	(208,361)	
Ko-one Energy Service Co., Ltd.	928,022	562,595	365,427	1,376,666	117,570	
Narae Energy Service Co., Ltd.	1,345,675	531,687	813,988	1,023,413	120,893	
Busan City Gas Co., Ltd.	884,719	415,899	468,820	1,217,193	33,211	
Paju Energy Service Co., Ltd.	1,723,109	863,046	860,063	1,756,967	213,878	
E&S Citygas	5,013,472	994	5,012,478	-	16,426	
PRISM Energy International Australia	2,828,129	552,244	2,275,885	-	(6,337)	
PRISM Energy International Americas, Inc.	4,894,162	7,370	4,886,792	7,526	(604)	
Passkey, Inc.	3,319,196	72,907	3,246,289	-	(54,492)	
Prism Energy International Pte. Ltd.	2,219,711	1,231,870	987,841	4,043,288	78,965	
SK Ecoplant Co., Ltd.	11,272,029	7,650,660	3,621,369	5,417,290	96,723	
SK ecoengineering Co., Ltd.	819,501	591,845	227,656	1,608,043	6,161	
ESSENCORE Limited (*1)	567,137	194,444	372,693	1,010,143	106,242	
SK China Company, Ltd.	3,417,355	26,190	3,391,165	-	66,067	
SK South East Asia Investment Pte. Ltd. (*1)	3,053,084	361,103	2,691,981	118,937	(80,577)	
SK Biopharmaceuticals Co., Ltd(*1)	1,036,811	462,826	573,985	547,596	226,973	
SK Siltron Co., Ltd. (*1)	6,178,785	3,935,553	2,243,232	2,126,813	248,049	
SK Pharmteco Inc. (*1)	2,871,792	2,243,840	627,952	849,654	(1,003,407)	

(*1) The subsidiary's financial information is consolidated financial information.

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2024 and 2023

1. Corporate information (cont'd)

December 31, 2023					
Subsidiary	Assets	Liabilities	Equity	Sales	Net income (loss)
SK Innovation Co., Ltd.	₩ 21,362,775	₩ 3,143,065	₩ 18,219,710	₩ 2,489,429	₩ 1,110,484
SK Energy Co., Ltd.	19,264,330	14,651,533	4,612,797	43,495,908	158,117
SK Energy Europe, Ltd.	294,644	188,963	105,681	4,718,727	14,729
SK Energy International Pte., Ltd.	4,634,066	3,743,415	890,651	37,092,769	102,572
SK Energy Americas, Inc.	761,749	685,545	76,204	5,386,994	(18,511)
SK Geo Centric Co., Ltd.	6,677,300	3,628,627	3,048,673	11,337,260	40,765
SK Geo Centric International Trading (Shanghai) Co., Ltd.	161,932	135,429	26,503	1,716,255	2,941
BlueOval SK, LLC	10,302,759	1,918,595	8,384,164	-	(68,346)
SK Enmove Co., Ltd.	3,669,535	2,116,465	1,553,070	4,974,701	715,108
SK Enmove Americas, Inc. (formerly, SK Lubricants Americas, Inc.)	549,634	462,936	86,698	1,153,655	1,542
SK Enmove Europe B.V. (formerly, SK Lubricants Europe B.V.)	269,655	245,990	23,665	1,224,342	3,407
SK ie technology Co., Ltd.	2,460,180	448,078	2,012,102	319,929	(39,994)
SK Hi-tech Battery Materials Poland Sp. Zo.o.	2,263,480	903,105	1,360,375	155,000	78,176
SK On Co., Ltd.	16,144,260	8,641,156	7,503,104	8,469,679	(846,764)
SK On(Jiangsu) Co., Ltd.	2,435,984	1,343,467	1,092,517	3,503,721	80,089
SK Battery America, Inc.	10,057,258	6,004,822	4,052,436	2,916,995	(68,693)
SK On Hungary Kft.	5,753,302	3,870,080	1,883,222	1,491,567	49,157
SK Battery Manufacturing Kft.	2,100,652	1,656,016	444,636	1,699,911	239
SK Incheon Petrochem Co., Ltd.	5,723,199	4,117,863	1,605,336	10,116,535	(72,042)
SK Trading International Co., Ltd. (*2)	2,244,957	1,570,853	674,104	17,496,071	445,619
SK Ecoplant Co., Ltd.	8,968,373	6,880,082	2,088,291	4,601,862	(185,789)
SK ecoengineering Co., Ltd.	906,849	620,302	286,547	2,056,323	53,384
SKC Co., Ltd.	3,031,204	1,229,831	1,801,373	83,049	(5,508)
SK E&S Co., Ltd. (*2)	10,051,434	4,313,913	5,737,521	1,119,656	879,535
Ko-one Energy Service Co., Ltd.	793,784	440,032	353,752	1,463,263	26,049
Busan City Gas Co., Ltd.	1,032,610	470,950	561,660	1,263,385	438,803
Paju Energy Service Co., Ltd.	1,871,344	948,207	923,137	1,955,548	306,033
Narae Energy Service Co., Ltd.	1,344,523	650,131	694,392	1,028,698	145,228
Prism Energy International Pte. Ltd.	1,881,729	1,015,058	866,671	3,181,442	278,043
SK E&S Americas, Inc.	4,149,185	6,565	4,142,620	6,384	1,364
Passkey, Inc.	2,738,816	68,033	2,670,783	-	(51,158)
SK Siltron Co., Ltd. (*1)	5,451,563	3,498,153	1,953,410	2,025,590	233,991
SK REIT Co., Ltd. (*1)	4,295,627	2,974,227	1,321,400	145,892	25,987
SK China Company, Ltd.	3,193,845	47,052	3,146,793	-	54,178
SK South East Asia Investment Pte. Ltd.	3,250,359	518,597	2,731,762	109,263	(68,562)
SK Pharmteco Inc.	2,106,581	463,286	1,643,295	41,358	9,071
SK Specialty Co., Ltd. (*1)	1,337,945	907,501	430,444	681,745	82,755
SK Networks Co., Ltd.	4,643,837	2,747,291	1,896,546	6,088,582	28,773
SK Rent-a-Car Co., Ltd. (*3)	3,530,016	3,003,724	526,292	1,403,801	23,440
SK Telecom Co., Ltd.	24,910,787	14,474,696	10,436,091	12,589,220	1,059,748
SK Broadband Co., Ltd.	6,442,611	3,323,156	3,119,455	4,281,932	213,905
PS&Marketing Corp.	451,831	224,324	227,507	1,353,321	4,681
SK Square Co., Ltd.	7,361,687	566,004	6,795,683	177,597	(314,171)

(*1) The subsidiary's financial information is consolidated financial information.

(*2) Extinguished through merger for the year ended December 31, 2024.

(*3) Disposed of for the year ended December 31, 2024 and excluded from the consolidation scope.

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2024 and 2023

1. Corporate information (cont'd)

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

Information about significant non-controlling interests in subsidiaries as of and for the years ended December 31, 2024 and 2023 is as follows (Korean won in millions):

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

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

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2024 and 2023

1. Corporate information (cont'd)

	December 31, 2023						
	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	64.05%	69.13%	68.65%	51.21%	54.74%	10.00%	57.10%
Current assets	₩ 33,279,589	₩ 6,585,602	₩ 2,288,523	₩ 2,371,454	₩ 2,081,260	₩ 4,381,402	₩ 6,201,789
Non-Current assets	47,555,924	23,533,625	15,681,485	6,738,905	4,951,062	13,856,341	8,714,237
Current liabilities	29,399,179	6,993,980	1,380,605	3,908,393	1,845,576	4,046,081	6,827,346
Non-current liabilities	21,416,367	10,896,848	772,886	3,046,125	2,662,322	6,683,669	3,659,464
Net assets	30,019,967	12,228,399	15,816,517	2,155,841	2,524,424	7,507,993	4,429,216
Book value of the non-controlling interests	20,868,225	7,417,369	10,968,447	1,091,230	1,897,591	5,155,680	3,648,718
Sales	77,288,486	17,608,511	2,276,508	9,133,867	1,570,752	11,167,183	8,925,073
Net income(loss)	554,894	1,145,937	(1,314,834)	5,459	(326,360)	1,086,377	(33,646)
Other comprehensive net income(loss)	99,446	(23,967)	41,812	(40,923)	77,250	(221,667)	(77,768)
Total comprehensive income(loss)	654,340	1,121,970	(1,273,022)	(35,464)	(249,110)	864,710	(111,414)
Net income of the non-controlling interests	497,311	733,771	(952,204)	1,449	(198,370)	394,907	24,869
Total comprehensive income(loss) of the non-controlling interests	536,932	711,262	(924,323)	(19,675)	(153,688)	399,674	(20,459)
Net cash flows from operating activities	5,367,896	4,947,205	265,749	127,469	(234,742)	853,925	(731,943)
Net cash flows from investing activities	(11,244,233)	(3,352,905)	284,320	(113,151)	(987,482)	(1,401,828)	(926,902)
Net cash flows from financing activities	9,490,447	(2,020,990)	(281,085)	(33,154)	661,875	(204,896)	1,357,211
Net increase (decrease) in cash and cash equivalents	3,614,110	(426,690)	268,984	(18,836)	(560,349)	(752,799)	(301,634)
Dividends paid to the non-controlling interests	(313,926)	(573,069)	(38,024)	(16,110)	(40,053)	(301,660)	(42,177)

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

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

The Group prepares statutory financial statements in Korean in accordance with International Financial Reporting Standards as adopted by the Republic of Korea ("K-IFRS") enacted by the *Act on External Audit of Stock Companies*. The accompanying 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 report thereon, Korean version, which is used for regulatory reporting purposes, shall prevail.

The accompanying consolidated financial statements are stated in Korean won, the currency of the country in which the Company 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 financial statements and has been made at the rate of ₩1,470 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 year ended December 31, 2024. Such translations into U.S. dollar should not be construed as representations that the Korean won amounts could be converted into U.S. dollar at that or any other rate.

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

(1) Basis of preparation

The Group has prepared the consolidated financial statements in accordance with K-IFRS.

The material accounting policies used for the preparation of the accompanying consolidated financial statements as of and for the year ended December 31, 2024, are the same as the accounting policies adopted for the preparation of consolidated financial statements as of and for the year ended December 31, 2023, except for adoption of new and revised K-IFRSs applied in the current period, which are summarized below.

The accompanying consolidated financial statements have been prepared on a historical cost basis, except for certain non-current assets and financial instruments that are measured at fair value. Historical cost is based on the fair values of the consideration given.

The accompanying consolidated financial statements were approved at the Company's Board of Directors meeting on February 6, 2025.

The principal accounting policies are set out below:

1) New and amended standards and interpretations

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2024.

Amendments to K-IFRS No. 1001 *Presentation of Financial Statements*

The amendments only affect the presentation of current and non-current liabilities in the statement of financial position, clarifying that the classification of current and non-current liabilities is based on the entity's rights existing at the end of the reporting period and highlighting that the entity's expectation of deferring the settlement of the liabilities. At the end of the reporting period, if the borrowing arrangement is in compliance, the right is explained and the definition is clarified by transferring cash, equity instruments, or other assets or services to the counterparty. The amendments do not have any significant impact on the Group's financial position or management performance.

Amendments to K-IFRS No. 1001 *Presentation of Financial Statements*

This amendment requires the disclosure of important information to users of financial statements, such as the impact on accounting policies and financial statements related to the direct holding of virtual assets, holding on behalf of customers, or issuing virtual assets. The amendments do not have any significant impact on the Group's financial position or management performance.

Amendments to K-IFRS No. 1007 *Statement of Cash Flows* and K-IFRS No. 1107 *Financial Instruments: Disclosures*

The amendment requires users of financial statements to disclose information about supplier financial agreements so that users can assess the impact of supplier financial agreements on the entity's debt, cash flows and liquidity risk exposure when applying them. The amendments do not have any significant impact on the Group's financial position or management performance.

Amendments to K-IFRS No. 1116 *Lease*

The amendment clarified that the lease or revised lease fees should be calculated in a manner that does not recognize the gains or losses related to the right to use held by the seller-less user when subsequently measuring lease liabilities arising from sales fleece. The amendments do not have any significant impact on the Group's financial position or management performance.

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

2) Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below.

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

The amendments require the entity to assess exchangeability with other currencies, estimate spot exchange rates in the event of a lack of exchangeability, and disclose such effects. The amendments are intended to help users of financial statements understand the risks and impacts of a company's exposure to other currencies. The Group plans to apply the standard for annual reporting period beginning on or after January 1, 2025, with early application permitted.

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

The amendments clarify the requirements for assessing the contractual cash flow characteristics of financial assets to determine whether they consist solely of payments of principal and interest. Additionally, the amendments introduce new disclosure requirements for fair value changes and realized gains or losses by type of investment in equity instruments measured at fair value through other comprehensive income. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

Annual Improvements to K-IFRS Volume 11

The Annual Improvements to K-IFRS Volume 11 have been issued to enhance consistency between the requirements in the Accounting Standards, clarify ambiguous areas, and improve understandability. The key amendments are as follows:

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

These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

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

(2) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Group 1) has the power over the investee, 2) is exposed, or has rights, to variable returns from its involvement with the investee, and 3) has the ability to use its power to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

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

- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous stockholders' meetings

Income and expenses of subsidiaries acquired or disposed of for the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup transactions and related assets and liabilities, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e., reclassified to profit or loss or transferred directly to retained earnings).

(3) Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

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

In a business combination achieved in stages, the Group remeasures its entire previously held interests in the acquiree at fair value, and any gain or loss from the remeasurement is recognized in profit or loss or, if appropriate, in other comprehensive income. Changes in the carrying amount of previously held interests in the acquiree that are recognized in other comprehensive income recognized in the same manner as if those interests were disposed of directly.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Meanwhile, the assets acquired and liabilities assumed in a combination between entities or businesses under common control are recognized at their carrying amounts in the consolidated financial statements of the ultimate controlling party. The Group adjusts the difference between the consideration transferred and the carrying amount of the net assets acquired to other contributed capital.

(4) Functional currencies and foreign currencies

The individual financial statements of each entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Korean won, which is the functional currency of the entity and the presentation currency for the consolidated financial statements.

In preparing the consolidated financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise, except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings,
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks, and
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Korean won using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

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

(5) Cash and cash equivalents

Cash and cash equivalents include cash, bank balances and short-term investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. These assets are classified as cash and cash equivalents only if they have an original maturity of three months or less from the date of acquisition..

(6) Financial assets

1) Measurement

Financial assets are initially measured at fair value, and transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets measured at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss.

2) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables and lease receivables, the Group applies the simplified approach, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

3) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized or derecognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

If a transfer does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognize the transferred asset in its entirety and recognizes a financial liability for the consideration received.

4) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statements of financial position where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(7) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories, except for materials in in-transit and work in progress (specific identification), are measured under the gross average method, moving average method or first-in first-out method and consists of the purchase price, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price for inventories, less all estimated costs of completion and costs necessary to make the sale.

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

(8) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with K-IFRS No. 1105, *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate or a joint venture recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment.

When the Group transacts with its associate or a joint venture, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(9) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the K-IFRSs applicable to the particular assets, liabilities, revenues and expenses. When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognized in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognize its share of the gains and losses until it resells those assets to a third party.

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

(10) Property, plant and equipment

The Group does not depreciate land. Depreciation expense is computed using the straight-line method based on the estimated useful lives of the assets as follows:

Description	Useful lives (years)	Description	Useful lives (years)
Buildings	10 ~ 60	Machinery and equipment	3 ~ 40
Structures	4 ~ 50	Vehicles	1 ~ 20
Operating lease assets	3 ~ 5	Others	2 ~ 40

The Group reviews the depreciation method, the estimated useful lives and residual values of property, plant and equipment at the end of each annual reporting period. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

(11) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are reported at cost, less accumulated depreciation and accumulated impairment losses.

The Group does not depreciate land. Depreciation expense is computed using the straight-line method based on the estimated useful lives of the assets as follows:

Description	Useful lives (years)	Description	Useful lives (years)
Buildings	10 ~ 60	Structures	4 ~ 50

(12) Goodwill

Goodwill resulting from an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit ("CGU") to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

(13) Intangible assets

Intangible assets are measured initially at cost and, subsequently, are carried at cost, less accumulated amortization and accumulated impairment losses. The cost of intangible asset acquired in a business combination, separately from goodwill, is its fair value at the acquisition date and shall be carried at its cost less any accumulated amortization and any accumulated impairment losses.

Amortization of development cost, industrial property rights and other intangible assets is calculated on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The residual value is zero. Development cost for petroleum resource is amortized by the unit of production method based on the amount of proved reserves.

However, intangible assets with indefinite useful lives such as membership and brand-related assets are not amortized as there is no foreseeable limit to the period over which the asset is expected to use.

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

Description	Useful lives (years)	Description	Useful lives (years)
Development costs	3 ~ 10	Developed technology	5 ~ 14
Customer-related assets	3 ~ 30	Others	2 ~ 50
Right to use facilities	10, 20	Frequency usage rights	5 ~ 10
Industrial property rights	5 ~ 10		

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each annual reporting period. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually.

The Group accounts for expenditures with high probability of future economic benefits related to the acquisition costs of assets, exploration and evaluation, and development activities as intangible assets.

1) Expenditures for exploration and evaluation

Expenditures for exploration and evaluation in petroleum and gas fields, such as acquiring exploration rights, conducting geographical, geological, geochemical, and geophysical research, drilling for exploration purposes, and evaluating the technical feasibility and commercialization potential of economic extraction, are being capitalized. Additionally, expenditures incurred during the development phase, including the construction of overall facilities for production and drilling for oil wells, are also being capitalized. Impairment testing is performed when the carrying amount of the intangible asset exceeds the estimated recoverable amounts, or when a sign indicating such circumstances is found.

2) Oil-producing fields

Oil-producing fields refer to fields permitted to be developed as having reserves with economic benefits. The cost of oil-producing fields includes the costs directly attributable to purchase and construction, other expenditures required for production, and the estimated costs of provision for restoration. The Group amortizes oil-producing fields by the unit of production method based on the amount of proved reserves.

(14) Government grants

Government grants related to assets are presented in the statement of financial position by deducting the grant from the carrying amount of the asset. The related grant is recognized in profit or loss over the life of a depreciable asset as a reduced depreciation expense.

Government grants related to income are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

(15) Leases

1) The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

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

A. Right-of use assets

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Depreciation of right-of-use asset is computed using the straight-line method based on the shorter of the lease term and the estimated useful lives of the assets as follows:

Description	Useful lives (years)	Description	Useful lives (years)
Land and buildings	1 ~ 60	Tanks	1 ~ 10
Ships and vessels	10 ~ 20	Vehicles	1 ~ 5
Others	1 ~ 10		

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

B. Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

C. Short-term lease and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of land, buildings, vehicles and others (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below US\$5,000). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2) The Group as a lessor

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is using the effective interest rate method on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

(16) Non-current assets held for sale and discontinued operation

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale or distribution rather than through continuing use and is indicated as a separate current item in the statement of financial position.

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

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and other comprehensive income. Additional disclosures are provided in Note 37. All other notes to the financial statements include amounts for continuing operations, unless otherwise mentioned.

(17) Financial liabilities and equity instruments

1) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

2) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of debt instruments.

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with K-IFRS No. 1109 (see 2.(6) financial assets above); and
- The amount recognized initially less, where appropriate, cumulative amortization recognized in accordance with K-IFRS No. 1115

3) Derecognition of financial liabilities

Financial liabilities are removed from the statement of financial position when it is extinguished; for example, when the obligation specified in the contract is discharged or cancelled or expired or when the terms of an existing financial liability are substantially modified. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

4) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized as the proceeds are received, net of direct issue costs.

5) Compound instruments

The component parts of compound instruments (convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

(18) Retirement benefit costs

Contributions to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period.

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

(19) Share-based payment arrangements

The Group operates a variety of stock-based compensation schemes, including stock options, Stock Grant, and Performance Shared Units.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognized for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognized in profit or loss for the year.

(20) Provision

1) Provision for warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

2) Provision for installment of handset subsidies

The Group provides lump-sum handset subsidies to customers who agree to use the Group's service for a predetermined service period and the subsidies are charged to commission expense as the related payments are made. When customers agree to use the Group's service for a predetermined service period and purchase handsets on an installment basis, the subsidies are paid every month over the installment period and the Group estimates a provision for handset subsidies to be paid, which is recognized as commissions expense at the time telecommunication service contracts are made.

3) Provision for service/construction warranties

If the Group has an obligation to repair the product after selling the product or providing the service, the Group estimates the warranty expense based on the repair period and the past experience rate.

4) Provision for restoration

Provision for restoration of contaminated area is recognized in the related costs in accordance with published environmental policy and appropriate legal requirements of the Group.

5) Provision for onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

6) Accounting treatment related to the emission rights cap and trade scheme

The Group accounts for greenhouse gas emission rights and emission liabilities arising under the *Act on the Allocation and Transaction of Greenhouse Gas Emission Rights* as follows.

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

A. Greenhouse gas emission rights

Greenhouse gas emission rights consist of emission rights allocated free of charge by the government and emission rights purchased for free. The free allocation emission right is measured and recognized as zero, and the purchase emission right is recognized as the acquisition cost by adding other normally incurred costs directly related to the acquisition cost. The Group classifies the greenhouse gas emission rights held to fulfill the obligations stipulated in the relevant system as intangible assets, measures the total amount of damage deducted from the cost, and classifies the portion to be submitted to the government within one year from the end of the reporting period. Greenhouse gas emission rights held to obtain short-term trading gains are classified as floating assets and measured at fair value at the end of each reporting period, and changes in fair value are recognized in profit or loss. Greenhouse gas emission rights are removed when they are no longer available for submission or sale to the government, or when future economic benefits are no longer expected.

B. Emission liabilities

Emission liabilities are the current obligation to emit greenhouse gases and submit emission rights to the government, and are recognized when resources are likely to be leaked to fulfill the obligation and the amount required to fulfill the obligation can be reliably estimated. Emission liabilities are measured by adding the carrying amount of emission rights held for the relevant performance year to be submitted to the government and the expenditure expected to take to fulfill the obligations for emissions exceeding the amount of emission rights held. Emission liabilities are removed when submitted to the government.

(21) Derivative financial instruments

The Group enters into foreign exchange forward contracts, interest swaps, currency swaps, and so forth to manage its exposure to foreign exchange rate risk and foreign currency risk. Derivatives are initially recognized at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

1) Fair value hedges

The fair value change on qualifying hedging instruments is recognized in profit or loss except when the hedging instrument hedges an equity instrument designated at FVOCI in which case it is recognized in other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at FVOCI, the carrying amount is not adjusted as it is already at fair value, but the hedging gain or loss is recognized in profit or loss instead of other comprehensive income. When the hedged item is an equity instrument designated at FVOCI, the hedging gain or loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains or losses are recognized in profit or loss, they are recognized in the same line as the hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to profit or loss from that date.

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

2) Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognized in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in cash flow hedge reserve is reclassified immediately to profit or loss.

(22) Revenue recognition

The Group has applied K-IFRS No. 1115 *Revenue from Contracts with Customers*. The Group operates oil refining, telecommunications, wholesale and retail businesses, chemical products, and construction. When control of a good or service is transferred to the customer, the Group recognizes revenue considering the variable consideration, such as return and discount, from the fair value of the consideration to which it expects to be entitled in exchange for the good or service.

1) Sale of goods

Revenue from the sale of goods is generally recognized at the time when control of the goods is transferred to the customer, i.e. at the time of delivery of the goods.

2) Rendering of services

The Group provides services such as construction contracts and system construction services. For construction contracts and system construction services, revenue is recognized over time at the rate of progress under the input method because the Group has no alternative use for completing the obligation for the assets created by the Group that have completed the performance so far, and because the Group has a enforceable right to payment for the completed performance.

In the case of providing other services, the Group is obliged to provide the customer with the related services during the contract period, so the transaction price allocated to the performance obligation is recognized as revenue over the period where the services are provided.

3) Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognized is the net amount of commission made by the Group.

4) Rental income and others

Rental income from investment property is recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income, over the term of the lease. Rental income from subleased property is recognized as other income.

5) Contract assets and liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

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

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs its performance obligations under the contract.

(23) Finance income and costs

The finance income and costs of the Group are composed of the following.

- Interest income (cost)
- Foreign exchange gains and losses on financial assets and financial liabilities
- Net profit or loss on financial assets measured at fair value through profit or loss and others

Interest income and cost were recognized using the effective interest rate method.

(24) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity.

3. Significant accounting judgments, estimates and assumptions

When preparing the 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(1) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication of impairment of its non-financial assets. If any indication exists, or annually, intangible assets with indefinite useful lives including brand contract-related asset are tested for impairment. Other non-financial assets are tested for impairment when there is an indication that the carrying amount of an asset is not recoverable. In assessing value in use, management estimates future cash flows of the assets or CGU and determines an appropriate discount rate to calculate the present value of the estimated future cash flows.

(2) Valuation of financial instruments

Subsequent to initial recognition, investment securities and others are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss or other comprehensive income. Where the fair value of financial assets and financial liabilities recorded in the consolidated statements of financial position cannot be derived from active markets, the Group uses valuation techniques that require the management's judgments on the expected future cash flows and discount rates.

3. Significant accounting judgments, estimates and assumptions (cont'd)

(3) Bad debt allowance for trade receivables, loans and other receivables

The Group estimates a bad debt allowance for trade receivables, loans and other receivables, based on the aging of receivables and past experience of bad debt, as well as observable changes in economic and industrial conditions that correlate with default on receivables.

(4) Measurement and useful lives of tangible and intangible assets

If the Group acquires property, plant and equipment or intangible assets from business combination, it is required to estimate the fair value of these assets at the acquisition date. For estimating the useful lives of tangible and intangible assets, significant management judgment is required.

(5) Defined benefit plan

The Group's defined benefit liabilities is determined based on the actuarial valuation carried out at the end of each annual reporting period. Actuarial assumptions are the Group's best estimates of the variables in determining the cost of providing post-retirement benefits, such as discount rates, rates of expected future salary increases and mortality rates. Significant estimation uncertainty is likely to persist in making such assumptions due to the long-term nature of post-retirement benefit plan.

(6) Deferred tax assets

Recognition and measurement of deferred tax assets and liabilities requires significant management judgment. Especially, when determining if deferred tax assets will be realizable or not in the future, it involves significant management assumptions and judgment on the Group's future performance.

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 are as follows:

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

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
December 31, 2024 and 2023

4. Operating segments (cont'd)

(2) Details of financial information for each operating segment as of and for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the year ended December 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 75,009,328	₩ 17,940,609	₩ 6,138,472	₩ 7,657,281	₩ 1,721,564
Internal sales	(1,086,118)	(171,079)	(4,597,179)	(1,156,578)	(141,296)
Net sales and other operating income	73,923,210	17,769,530	1,541,293	6,500,703	1,580,268
Net Income	(2,372,483)	1,387,095	3,650,515	46,292	(455,056)
Total assets	110,530,098	30,515,255	21,921,051	5,157,129	6,748,679
Total liabilities	70,881,189	18,687,621	2,335,636	3,103,820	4,455,946
Depreciation	2,124,635	2,856,512	63,044	430,083	130,805
Amortization	329,925	843,378	40,585	28,735	45,628

	As of and for the year ended December 31, 2024			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
Sales and other operating income	₩ 9,317,616	₩ 19,074,819	₩ (11,876,892)	₩ 124,982,797
Internal sales	(1,410,941)	(3,313,701)	11,876,892	-
Net sales and other operating income	7,906,675	15,761,118	-	124,982,797
Net Income	(95,856)	(2,220,555)	588,858	528,810
Total assets	16,855,656	58,965,504	(35,715,618)	214,977,754
Total liabilities	11,794,448	27,000,636	(3,569,078)	134,690,218
Depreciation	175,356	655,276	94,915	6,530,626
Amortization	160,409	109,638	294,964	1,853,262

	As of and for the year ended December 31, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 77,905,525	₩ 17,608,511	₩ 2,276,508	₩ 7,453,479	₩ 1,493,475
Internal sales	(512,052)	(261,560)	(462,528)	(1,159,520)	(275,447)
Net sales and other operating income	77,393,473	17,346,951	1,813,980	6,293,959	1,218,028
Net Income	554,894	1,145,937	(1,314,834)	5,459	(326,360)
Total assets	80,835,513	30,119,227	17,970,008	9,110,358	7,032,322
Total liabilities	50,815,546	17,890,828	2,153,491	6,954,518	4,507,898
Depreciation	1,821,317	2,899,346	99,800	781,040	134,212
Amortization	208,772	851,449	43,691	36,647	38,403

	As of and for the year ended December 31, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*2)	Total
Sales and other operating income	₩ 11,167,183	₩ 8,925,073	₩ 10,194,165	₩ (7,608,413)	₩ 129,415,506
Internal sales	(449,388)	(14,441)	(4,473,477)	7,608,413	-
Net sales and other operating income	10,717,795	8,910,632	5,720,688	-	129,415,506
Net Income	1,086,377	(33,646)	(73,459)	(1,450,755)	(406,387)
Total assets	18,237,743	14,916,026	63,732,031	(34,982,964)	206,970,264
Total liabilities	10,729,750	10,486,810	26,394,187	(841,814)	129,091,214
Depreciation	507,266	137,702	803,642	47,584	7,231,909
Amortization	23,770	139,537	153,024	260,759	1,756,052

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

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

Except for transactions with related parties mentioned in Note 36, there are no customers accounting for 10% or more of the consolidated sales of the Group for the year ended December 31, 2024.

SK Inc. and its subsidiaries
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4. Operating segments (cont'd)

(3) Details of financial information by geographical location as of and for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the year ended December 31, 2024						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 153,641,186	₩ 50,187,421	₩ 9,519,170	₩ 15,203,624	42,867	₩ (103,611,471)	₩ 124,982,797
Operating profit (loss)	5,835,301	209,086	91,831	(1,105,764)	(34,848)	(2,640,316)	2,355,290
Profit (loss) from continuing operating before income tax expense	1,506,285	145,008	(79,176)	(3,037,346)	(3,884)	2,565,670	1,096,557
Profit (loss) for the year from continuing operations	1,168,745	77,696	(114,414)	(3,020,681)	(3,543)	2,241,002	348,805
Total assets	233,784,670	28,718,496	16,748,781	63,357,745	3,652,962	(131,284,900)	214,977,754
Total liabilities	114,015,581	10,928,299	8,983,008	22,336,882	1,091,967	(22,665,519)	134,690,218

	As of and for the year ended December 31, 2023						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 157,001,100	₩ 51,032,943	₩ 11,347,077	₩ 12,333,174	88,932	₩ (102,387,720)	₩ 129,415,506
Operating profit (loss)	7,435,796	744,611	159,614	(256,461)	20,660	(3,350,238)	4,753,982
Profit (loss) from continuing operating before income tax expense	5,236,124	688,196	207,813	(1,431,060)	29,847	(5,584,538)	(853,618)
Profit (loss) for the year from continuing operations	4,098,715	529,313	177,697	(1,423,875)	13,759	(4,819,861)	(1,424,252)
Total assets	217,296,921	28,406,268	14,361,640	48,774,315	2,692,835	(104,561,715)	206,970,264
Total liabilities	110,327,522	11,486,098	7,803,015	14,178,694	721,491	(15,425,606)	129,091,214

(4) Details of financial information by revenue from contracts with customers for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the year ended December 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 75,009,328	₩ 17,940,609	₩ 6,138,472	₩ 7,657,281	₩ 1,721,564
2. Revenue from contracts with customers	74,216,089	17,940,609	1,906,611	7,174,085	1,718,268
Categories:					
Service sales	332,264	16,246,116	1,229,723	740,388	-
Finished goods sales	69,540,986	-	54,719	69,639	1,615,143
Merchandise sales	2,902,927	1,147,509	300,655	6,348,737	41,057
Other sales	1,439,912	546,984	321,514	15,321	62,068
	74,216,089	17,940,609	1,906,611	7,174,085	1,718,268
Timing of revenue recognition:					
Recognition at a point in time	73,883,825	1,616,027	743,507	6,435,043	1,692,296
Recognition over a period of time	332,264	16,324,582	1,163,104	739,042	25,972
	74,216,089	17,940,609	1,906,611	7,174,085	1,718,268
3. Revenue from other sources	500,881	-	4,231,861	483,196	3,296
4. Other operating income (*3)	292,358	-	-	-	-

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4. Operating segments (cont'd)

	As of and for the year ended December 31, 2024			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 9,317,616	₩ 19,074,819	₩ (11,876,892)	₩ 124,982,797
2. Revenue from contracts with customers	9,258,648	18,847,406	(6,710,554)	124,351,162
Categories:				
Service sales	8,519,420	4,238,987	(3,693,911)	27,612,987
Finished goods sales	-	9,284,826	(1,642,759)	78,922,554
Merchandise sales	650,285	4,749,874	(1,115,218)	15,025,826
Other sales	88,943	573,719	(258,666)	2,789,795
	9,258,648	18,847,406	(6,710,554)	124,351,162
Timing of revenue recognition:				
Recognition at a point in time	591,317	6,739,986	(2,641,759)	89,060,242
Recognition over a period of time	8,667,331	12,107,420	(4,068,795)	35,290,920
	9,258,648	18,847,406	(6,710,554)	124,351,162
3. Revenue from other sources	58,968	227,413	(5,166,338)	339,277
4. Other operating income (*3)	-	-	-	292,358

	As of and for the year ended December 31, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 77,905,525	₩ 17,608,511	₩ 2,276,508	₩ 7,453,479	₩ 1,493,475
2. Revenue from contracts with customers	76,887,848	17,608,511	2,276,508	5,840,234	1,489,000
Categories:					
Service sales	328,481	15,964,093	1,347,533	654,348	-
Finished goods sales	71,987,636	-	57,402	64,453	1,396,753
Merchandise sales	3,445,646	1,087,093	514,352	5,107,514	61,367
Other sales	1,126,085	557,325	357,221	13,919	30,880
	76,887,848	17,608,511	2,276,508	5,840,234	1,489,000
Timing of revenue recognition:					
Recognition at a point in time	76,559,367	1,546,998	1,010,250	5,185,886	1,483,531
Recognition over a period of time	328,481	16,061,513	1,266,258	654,348	5,469
	76,887,848	17,608,511	2,276,508	5,840,234	1,489,000
3. Revenue from other sources	400,639	-	-	1,613,245	4,475
4. Other operating income (*3)	617,038	-	-	-	-

	As of and for the year ended December 31, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 11,167,183	₩ 8,925,073	₩ 10,194,165	₩ (7,608,413)	₩ 129,415,506
2. Revenue from contracts with customers	11,163,727	8,861,291	10,499,075	(6,095,830)	128,530,364
Categories:					
Service sales	42,623	8,315,450	5,564,815	(3,274,084)	28,943,259
Finished goods sales	5,004,610	-	4,544,739	(1,193,447)	81,862,146
Merchandise sales	5,890,560	480,087	280,553	(1,530,683)	15,336,489
Other sales	225,934	65,754	108,968	(97,616)	2,388,470
	11,163,727	8,861,291	10,499,075	(6,095,830)	128,530,364
Timing of revenue recognition:					
Recognition at a point in time	1,004,162	416,305	5,085,410	(2,372,648)	89,919,261
Recognition over a period of time	10,159,565	8,444,986	5,413,665	(3,723,182)	38,611,103
	11,163,727	8,861,291	10,499,075	(6,095,830)	128,530,364
3. Revenue from other sources	3,456	63,782	(304,910)	(1,512,583)	268,104
4. Other operating income (*3)	-	-	-	-	617,038

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

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

4. Operating segments (cont'd)

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

5. Acquisitions and disposals of subsidiaries and non-controlling interests

(1) Acquisitions of significant subsidiaries

There were no significant acquisitions of subsidiary interests for the year ended December 31, 2024 (See Note 45).

(2) Other significant equity transactions

1) Paid-in capital increase of BlueOval SK, LLC

BlueOval SK, LLC, a subsidiary of the Group, carried out a paid-in capital increase and a capital reduction for the year ended December 31, 2024. As a result, the non-controlling interest of the consolidated entity increased by ₩1,057,900 million.

2) Issuance of hybrid securities by SK On Co., Ltd

SK On Co., Ltd., a subsidiary of the Group, issued hybrid securities for the year ended December 31, 2024 to secure operating funds. As a result, the non-controlling interest of the consolidated entity increased by ₩497,614 million.

3) Execution of a Price Return Swap (PRS) contract by SK Innovation Co., Ltd.

SK Innovation Co., Ltd., a subsidiary of the Group, entered into a Price Return Swap (PRS) contract for the year ended December 31, 2024 regarding the newly issued shares of SK On Co., Ltd., under which the difference in stock value is settled between the buyer and SK Innovation based on predetermined conditions. As a result, the controlling interest of the consolidated entity decreased by ₩215,226 million, while the non-controlling interest increased by ₩1,336,139 million.

4) Additional acquisition of SK Broadband Co., Ltd. by SK Telecom Co., Ltd.

SK Telecom Co., Ltd., a subsidiary of the Group, entered into a stock transfer agreement on November 14, 2024, to purchase a 24.76% stake in SK Broadband Co., Ltd.. SK Telecom Co., Ltd. has determined that it holds the current ownership of the SK Broadband Co., Ltd. shares under the aforementioned agreement, and thus has accounted for the ownership of these subsidiary shares. As a result, the controlling interest of the consolidated entity decreased by ₩109,973 million, while the non-controlling interest decreased by ₩1,040,261 million.

SK Inc. and its subsidiaries
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6. Financial instruments

(1) Financial assets

Details of financial assets as of December 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

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

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
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6. Financial instruments (cont'd)

	December 31, 2023				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 5,280,674	₩ -	₩ 17,402,996	₩ -	₩ 22,683,670
Short-term financial instruments	530,313	-	2,411,728	-	2,942,041
Trade receivables (*1)	173,105	215,669	12,448,218	-	12,836,992
Other receivables (*2)	144,629	-	2,250,870	-	2,395,499
Short-term loans	-	-	246,555	-	246,555
Accrued income	-	-	117,323	-	117,323
Short-term investment securities	186,793	-	45	-	186,838
Guarantee deposits	-	-	507,630	-	507,630
Derivative financial assets	140,650	-	-	149,654	290,304
Lease receivables	-	-	23,892	-	23,892
	<u>₩ 6,456,164</u>	<u>₩ 215,669</u>	<u>₩ 35,409,257</u>	<u>₩ 149,654</u>	<u>₩ 42,230,744</u>
Non-current assets:					
Long-term financial instruments	₩ 6,161	₩ -	₩ 50,254	₩ -	₩ 56,415
Long-term trade receivables	-	-	545,442	-	545,442
Long-term other receivables	129,316	-	680,596	-	809,912
Long-term loans	-	-	673,027	-	673,027
Long-term accrued income	-	-	32,462	-	32,462
Long-term investment securities	1,728,974	5,814,238	864	-	7,544,076
Long-term guarantee deposits	-	-	615,445	-	615,445
Derivative financial assets	1,005,219	-	-	253,732	1,258,951
Lease receivables	-	-	43,385	-	43,385
	<u>₩ 2,869,670</u>	<u>₩ 5,814,238</u>	<u>₩ 2,641,475</u>	<u>₩ 253,732</u>	<u>₩ 11,579,115</u>
	<u>₩ 9,325,834</u>	<u>₩ 6,029,907</u>	<u>₩ 38,050,732</u>	<u>₩ 403,386</u>	<u>₩ 53,809,859</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,042,396 million as of December 31, 2023 are not included in the financial assets.

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

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
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6. Financial instruments (cont'd)

(2) Financial liabilities

Details of financial liabilities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

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

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6. Financial instruments (cont'd)

	December 31, 2023				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 17,388,374	₩ -	₩ -	₩ 17,388,374
Trade payables	175,970	12,773,431	-	-	12,949,401
Other payables (*1)	16,291	9,369,697	-	-	9,385,988
Current portion of long-term debt	-	13,019,290	-	-	13,019,290
Accrued expenses (*1)	-	3,034,689	-	-	3,034,689
Dividends payable	-	983	-	-	983
Deposits received	-	57,178	-	-	57,178
Leasehold deposits received	-	1,086,643	-	-	1,086,643
Derivative financial liabilities	349,785	-	19,115	-	368,900
Lease liabilities	-	-	-	1,239,548	1,239,548
Finance guarantee liabilities	-	-	-	10,048	10,048
Financial liabilities at fair value through profit or loss	25,085	-	-	-	25,085
	<u>₩ 567,131</u>	<u>₩ 56,730,285</u>	<u>₩ 19,115</u>	<u>₩ 1,249,596</u>	<u>₩ 58,566,127</u>
Non-current liabilities:					
Bonds and long-term borrowings	₩ -	₩ 48,570,229	₩ -	₩ -	₩ 48,570,229
Long-term other payables (*1)	111,175	1,228,159	-	-	1,339,334
Long-term accrued expenses	-	21,078	-	-	21,078
Leasehold deposits received	-	391,159	-	-	391,159
Derivative financial liabilities	1,086,698	-	164,074	-	1,250,772
Long-term lease liabilities	-	-	-	3,989,530	3,989,530
Financial guarantee liabilities	-	-	-	18,514	18,514
Financial liabilities at fair value through profit or loss	457,319	-	-	-	457,319
Other non-current liabilities	210,731	-	-	-	210,731
	<u>₩ 1,865,923</u>	<u>₩ 50,210,625</u>	<u>₩ 164,074</u>	<u>₩ 4,008,044</u>	<u>₩ 56,248,666</u>
	<u>₩ 2,433,054</u>	<u>₩ 106,940,910</u>	<u>₩ 183,189</u>	<u>₩ 5,257,640</u>	<u>₩ 114,814,793</u>

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

Meanwhile, the Group has entered into supplier financing arrangements with several major domestic suppliers. Participation in these arrangements is at the discretion of the suppliers. Under the terms of the supplier financing arrangements, one or more financial institutions make payments to suppliers on behalf of the Group, and the Group makes payments to the financial institutions in accordance with the terms of the arrangement after the suppliers have been paid.

These arrangements may either provide the Group with an extended payment period beyond the original invoice due date or enable suppliers to receive early payment. If a supplier opts for early payment, the supplier pays a fee to the financial institution, not to the Group. To allow the financial institution to pay the invoice amount, the Group must have received the goods or services and approved the invoice. The financial institution pays the supplier before the invoice due date. In all cases, the Group settles the obligation by paying the financial institution on the originally agreed payment due date. The payment terms with suppliers are not renegotiated as a result of these arrangements, and no collateral has been provided to the financial institutions by the Group.

All trade payables under the supplier financing arrangements are included in trade and other payables in the Group's consolidated statement of financial position and are reflected in the trade payables presented in the above table.

The Group has entered into supplier financing arrangements under which financial institutions acquire rights to certain accounts receivable from the suppliers. Due to these arrangements, the trade payables acquired by the financial institutions can no longer be offset against credits from the respective suppliers. As of the end of the reporting period, key information related to the due dates of trade and other payables is as follows, and other terms are consistent with those applicable to regular trade payables to suppliers.

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6. Financial instruments (cont'd)

Affiliate Group	Payment term range	December 31, 2024	December 31, 2023
SK Innovation Group	Supplier Financing	28 to 183 days from invoice issuance	Exempt from Disclosure
	Financial Liabilities		
SK ecoplant Group	Trade Payables Not Under Supplier Financing	30 to 120 days from invoice issuance	Exempt from Disclosure
	Supplier Financing	30 to 180 days from invoice issuance	Exempt from Disclosure
SKC Group	Financial Liabilities	60 days from tax invoice issuance	
	Trade Payables Not Under Supplier Financing	30 to 60 days from invoice issuance	Exempt from Disclosure
SK networks Group	Supplier Financing	17 to 25 days from tax invoice issuance	
	Financial Liabilities	3 to 6 months after payment	Exempt from Disclosure
SK Telecom Group	Trade Payables Not Under Supplier Financing	Within the payment due date	Exempt from Disclosure
	Supplier Financing	30 to 180 days from invoice issuance	Exempt from Disclosure
SK Square Group	Financial Liabilities	30 to 180 days from invoice issuance	Exempt from Disclosure
	Trade Payables Not Under Supplier Financing	5 to 15 days from tax invoice issuance	Exempt from Disclosure
SK Siltron Group	Supplier Financing	10 to 20 days from tax invoice issuance	Exempt from Disclosure
	Financial Liabilities	90 days from invoice issuance	Exempt from Disclosure
SK Specialty Group	Trade Payables Not Under Supplier Financing	90 days from invoice issuance	Exempt from Disclosure
	Supplier Financing	10 to 90 days from tax invoice issuance	Exempt from Disclosure
SK Specialty Group	Financial Liabilities	15 to 120 days from tax invoice issuance	Exempt from Disclosure
	Trade Payables Not Under Supplier Financing	12 to 90 days after card payment date	Exempt from Disclosure
SK Specialty Group	Supplier Financing	30 to 60 days from tax invoice issuance	Exempt from Disclosure
	Financial Liabilities		

The carrying amount of liabilities under supplier financing arrangements and the amount already paid by financial institutions to suppliers are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Carrying Amount of Liabilities under Supplier Financing Arrangements	₩ 5,704,604	Exempt from Disclosure
Amount Already Paid by Financial Institutions to Suppliers	4,247,630	Exempt from Disclosure

There were no significant business combinations or foreign exchange differences that affected the liabilities under supplier financing arrangements. During the current period, there were non-cash changes of ₩8,413,650 million related to these liabilities.

The liabilities under supplier financing arrangements are considered short-term in nature, and their carrying amounts are regarded as a reasonable approximation of fair value.

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6. Financial instruments (cont'd)

(3) Gain and loss by category of financial instruments

Details of gain and loss by category of financial instruments for the years ended in December 31, 2024 and 2023 are as follows (Korean won in millions):

Financial assets:	For the year ended December 31, 2024				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Profit or loss:					
Interest income (expense)	₩ 224,938	₩ 60,798	₩ 663,353	₩ -	₩ 949,089
Gain (loss) on derivatives	1,686,097	-	-	330,837	2,016,934
Gain (loss) on foreign currency	(1,577)	13	1,145,917	(59)	1,144,294
Others	227,673	19,440	(18,133)	-	228,980
	<u>₩ 2,137,131</u>	<u>₩ 80,251</u>	<u>₩ 1,791,137</u>	<u>₩ 330,778</u>	<u>₩ 4,339,297</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ (517,026)	₩ -	₩ -	₩ (517,026)
Gain (loss) on derivatives	-	-	-	(159,831)	(159,831)
	<u>₩ -</u>	<u>₩ (517,026)</u>	<u>₩ -</u>	<u>₩ (159,831)</u>	<u>₩ (676,857)</u>
	<u>₩ 2,137,131</u>	<u>₩ (436,775)</u>	<u>₩ 1,791,137</u>	<u>₩ 170,947</u>	<u>₩ 3,662,440</u>
Financial liabilities:	For the year ended December 31, 2024				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Others	Total
Profit or loss:					
Interest income (expense)	₩ (4,681)	₩ (3,524,090)	₩ -	₩ (164,479)	₩ (3,693,250)
Gain (loss) on derivatives	(2,113,854)	-	(124,401)	-	(2,238,255)
Gain (loss) on foreign currency	3,967	(1,608,472)	(24)	1,524	(1,603,005)
Others	11,403	(180,639)	-	-	(169,236)
	<u>₩ (2,103,165)</u>	<u>₩ (5,313,201)</u>	<u>₩ (124,425)</u>	<u>₩ (162,955)</u>	<u>₩ (7,703,746)</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ -	₩ -	₩ -	₩ -
Gain (Loss) on derivatives	-	-	175,418	-	175,418
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 175,418</u>	<u>₩ -</u>	<u>₩ 175,418</u>
	<u>₩ (2,103,165)</u>	<u>₩ (5,313,201)</u>	<u>₩ 50,993</u>	<u>₩ (162,955)</u>	<u>₩ (7,528,328)</u>

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6. Financial instruments (cont'd)

Financial assets:	For the year ended December 31, 2023				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Profit or loss:					
Interest income (expense)	₩ 272,697	₩ (8,916)	₩ 609,247	₩ -	₩ 873,028
Gain (loss) on derivatives	2,274,527	-	-	225,191	2,499,718
Gain (loss) on foreign currency	(3,774)	8,257	187,556	(113)	191,926
Others	(70,346)	64,050	(15,941)	-	(22,237)
	<u>₩ 2,473,104</u>	<u>₩ 63,391</u>	<u>₩ 780,862</u>	<u>₩ 225,078</u>	<u>₩ 3,542,435</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ (607,992)	₩ -	₩ -	₩ (607,992)
Gain (loss) on derivatives	-	-	-	(60,261)	(60,261)
	<u>₩ -</u>	<u>₩ (607,992)</u>	<u>₩ -</u>	<u>₩ (60,261)</u>	<u>₩ (668,253)</u>
	<u>₩ 2,473,104</u>	<u>₩ (544,601)</u>	<u>₩ 780,862</u>	<u>₩ 164,817</u>	<u>₩ 2,874,182</u>
Financial liabilities:	For the year ended December 31, 2023				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Others	Total
Profit or loss:					
Interest income (expense)	₩ -	₩ (2,964,735)	₩ -	₩ (241,143)	₩ (3,205,878)
Gain (loss) on derivatives	(2,080,682)	-	(390,380)	-	(2,471,062)
Gain (loss) on foreign currency	(911)	(359,258)	-	12,742	(347,427)
Others	77,904	(75,792)	-	(15)	2,097
	<u>₩ (2,003,689)</u>	<u>₩ (3,399,785)</u>	<u>₩ (390,380)</u>	<u>₩ (228,416)</u>	<u>₩ (6,022,270)</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ -	₩ -	₩ -	₩ -
Gain (Loss) on derivatives	-	-	(10,367)	-	(10,367)
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ (10,367)</u>	<u>₩ -</u>	<u>₩ (10,367)</u>
	<u>₩ (2,003,689)</u>	<u>₩ (3,399,785)</u>	<u>₩ (400,747)</u>	<u>₩ (228,416)</u>	<u>₩ (6,032,637)</u>

6. Financial instruments (cont'd)

(4) Fair values of financial instruments by hierarchy level

1) Fair values and book values of financial instruments that are not measured at fair value as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Bonds	₩ 33,965,304	₩ 34,112,560	₩ 37,422,779	₩ 36,512,427
Borrowings	48,899,307	48,432,111	41,555,114	40,002,644

The fair value of bonds and borrowings was measured as the present value of the contractually determined stream of future cash flows discounted at the market interest rate (0.70% ~ 18.12%) 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 uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique. The level of hierarchy of fair value is as follows:

Classification	Significance of input variables
Level 1	Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2	Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3	Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Details of fair values of financial instruments by hierarchy level as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL	₩ 8,792,900	₩ 200,844	₩ 7,088,987	₩ 1,503,069	₩ 8,792,900
Financial assets measured at FVOCI	5,302,857	2,420,342	248,178	2,634,337	5,302,857
Derivative financial assets	2,333,763	5,991	1,046,400	1,281,372	2,333,763
	<u>₩ 16,429,520</u>	<u>₩ 2,627,177</u>	<u>₩ 8,383,565</u>	<u>₩ 5,418,778</u>	<u>₩ 16,429,520</u>
Financial liabilities:					
Financial liabilities measured at FVTPL	₩ 1,580,703	₩ -	₩ 376,867	₩ 1,203,836	₩ 1,580,703
Derivative financial liabilities	1,805,873	-	263,571	1,542,302	1,805,873
	<u>₩ 3,386,576</u>	<u>₩ -</u>	<u>₩ 640,438</u>	<u>₩ 2,746,138</u>	<u>₩ 3,386,576</u>
	December 31, 2023				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL	₩ 8,179,965	₩ 329,190	₩ 6,091,093	₩ 1,759,682	₩ 8,179,965
Financial assets measured at FVOCI	6,029,907	2,693,803	29,828	3,306,276	6,029,907
Derivative financial assets	1,549,255	613	620,798	927,844	1,549,255
	<u>₩ 15,759,127</u>	<u>₩ 3,023,606</u>	<u>₩ 6,741,719</u>	<u>₩ 5,993,802</u>	<u>₩ 15,759,127</u>
Financial liabilities:					
Financial liabilities measured at FVTPL	₩ 785,840	₩ -	₩ 177,200	₩ 608,640	₩ 785,840
Derivative financial liabilities	1,619,672	-	526,228	1,093,444	1,619,672
	<u>₩ 2,405,512</u>	<u>₩ -</u>	<u>₩ 703,428</u>	<u>₩ 1,702,084</u>	<u>₩ 2,405,512</u>

The consolidated entity continuously reevaluates the classification at the end of each reporting period for financial instruments recognised as fair value (based on the lowest level of significant input across the measurements) to determine whether there is movement between levels.

For the year ended December 31, 2024, ₩207,358 million was reclassified to Level 1 as a result of the listing of InnoScience Suzhou Technology Holdings Co., Ltd., an equity security previously held by the Group.

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6. Financial instruments (cont'd)

3) Changes in Level 3 financial assets for the years ended December 31, 2024 and 2023 are as follows
(Korean won in millions):

		December 31, 2024						
		Beginning balance	Profit or loss	Other comprehensive income (loss)	Acquisitions	Disposals	Others	Ending Balance
Financial assets:								
Financial assets measured at FVTPL	₩	1,759,682	₩ 261,490	₩ 10,415	₩ 231,562	₩ (232,841)	₩ (527,239)	₩ 1,503,069
Financial assets measured at FVOCI		3,306,276	-	(563,409)	80,209	(863,678)	674,939	2,634,337
Derivative financial assets		927,844	245,705	-	-	(1,937)	109,760	1,281,372
	₩	<u>5,993,802</u>	<u>₩ 507,195</u>	<u>₩ (552,994)</u>	<u>₩ 311,771</u>	<u>₩ (1,098,456)</u>	<u>₩ 257,460</u>	<u>₩ 5,418,778</u>
Financial liabilities:								
Financial liabilities measured at FVTPL	₩	608,640	₩ (80,752)	₩ -	₩ 234,997	₩ (122)	₩ 441,073	₩ 1,203,836
Derivative financial liabilities		1,093,444	118,133	-	125,893	-	204,832	1,542,302
	₩	<u>1,702,084</u>	<u>₩ 37,381</u>	<u>₩ -</u>	<u>₩ 360,890</u>	<u>₩ (122)</u>	<u>₩ 645,905</u>	<u>₩ 2,746,138</u>
		December 31, 2023						
		Beginning balance	Profit or loss	Other comprehensive loss	Acquisitions	Disposals	Others	Ending Balance
Financial assets:								
Financial assets measured at FVTPL	₩	1,822,096	₩ (110,323)	₩ -	₩ 832,604	₩ (212,366)	₩ (572,329)	₩ 1,759,682
Financial assets measured at FVOCI		3,119,156	-	(21,989)	126,688	(962,590)	1,045,011	3,306,276
	₩	<u>4,941,252</u>	<u>₩ (110,323)</u>	<u>₩ (21,989)</u>	<u>₩ 959,292</u>	<u>₩ (1,174,956)</u>	<u>₩ 472,682</u>	<u>₩ 5,065,958</u>
Financial liabilities:								
Financial liabilities measured at FVTPL	₩	432,497	₩ (47,663)	₩ -	₩ -	₩ -	₩ 223,806	₩ 608,640

6. Financial instruments (cont'd)

(5) Valuation techniques and inputs

The description of financial instruments using fair value measurements, which is classified as Level 2 or Level 3 by the Group, and the valuation techniques and inputs used to measure the fair value of those financial instruments as of December 31, 2024 and 2023 are as follows:

1) Currency forward and currency swap

The fair value of the currency forward and the currency swap was measured in principle based on the forward exchange rate disclosed in the market as of December 31, 2024 for the period consistent with the remaining period of the currency swap. In case the forward exchange rate for a period consistent with the remaining period of the currency forward and the currency swap is not disclosed in the market, the forward exchange was measured by estimating the forward exchange rate for a period similar to the remaining period of the currency swap by applying interpolation to each period. The discount rate used to measure the fair value of the currency forward and the currency swap was determined using the yield curve derived from the rate quoted in the market as of December 31, 2024.

2) Commodity swap

In principle, the fair value of the commodity swap was measured on the basis of the spot transaction price disclosed in the market as of December 31, 2024 for the period consistent with the remaining period of the spot swap being measured. In addition, the discount rate used to measure the fair value of the spot swap was determined using the yield curve derived from the rate quoted in the market as of December 31, 2024.

3) Interest rate swap

The fair value of the interest rate swap was measured, in principle, based on the interest rate swap rate disclosed in the market as of December 31, 2024 for the period corresponding to the remaining period of the interest rate swap being measured. If the interest rate swap for a period corresponding to the remaining period of the interest rate swap being measured is not disclosed in the market, the interest rate swap rate was measured by estimating the interest rate swap rate for a period similar to the remaining period of the interest rate swap by applying interpolation for each period.

4) Debt securities

The fair value of debt securities is measured by discounting the future cash flows of debt securities by applying the market interest rate applied to companies with similar creditworthiness as the issuer of debt securities.

5) Unlisted stocks

The fair value of the total return swap contract is measured using Monte-Carlo simulation. This method generates discrete future interest rates, estimates the timing of the call option, calculates the present value, and then repeats the process to derive the fair value as the average of the calculated values. Meanwhile, the unlisted stocks underlying the call option are measured according to the method of fair value assessment for "5) Unlisted stocks" as described earlier. It is determined that the key assumptions and estimates used in the fair value assessment of the unlisted stocks have a significant impact on the fair value, and therefore, the fair value measurement of the total return swap contract is classified as Level 3 in the fair value hierarchy.

6) Total return swap agreement

The fair value of the total return swap agreement is based on Monte-Carlo Simulation. It generates the discrete path of the future interest rate, estimates the point of time when the buyout option is exercised, calculates the present value, and repeatedly executes it to calculate the fair value as the average value of the calculated value. On the other hand, unlisted shares subject to the purchase option were measured in accordance with the fair value assessment method of unlisted stocks, and the fair value measurement of inter-share contracts was classified as Level 3 in the fair value hierarchy as the main assumptions and estimates used to assess the fair value of unlisted stocks were considered to have a significant effect on their fair value.

6. Financial instruments (cont'd)

7) Financial Liabilities from Guarantee Obligations

The fair value of financial guarantee liabilities is determined using the incremental value of redeemable convertible preferred shares (RCPS) resulting from the provision of the guarantee. The fair value of the guaranteed RCPS is measured using the binomial tree model. In applying the binomial tree model, certain assumptions that are not based on observable market prices or rates, such as the underlying asset value and price volatility, are used. The unlisted shares eligible for conversion are measured in accordance with the fair value measurement methodology described in "5) Unlisted stocks". Since key assumptions and estimates used in the fair value measurement of unlisted shares significantly impact fair value, the Company has classified the fair value measurement of financial liabilities from guarantee obligations as Level 3 in the fair value hierarchy.

8) Put Options

The fair value of put options is measured using the binomial tree model and the lattice model. These models assume that the price of the underlying asset fluctuates according to volatility over multiple periods until expiration, constructing a tree structure to compute the option value retrospectively. Certain assumptions not based on observable market prices or ratios, such as the value and price volatility of the underlying assets, are used. The Group considers the key assumptions and estimates mentioned above to have a significant impact on the fair value of put options and, therefore, classifies them as Level 3 in the fair value hierarchy.

9) Shareholder Agreements (Options)

Options derived from shareholder agreements are measured at fair value using the Monte Carlo simulation method and the binomial tree model. The Monte Carlo simulation method applies probabilistic calculations using random numbers to determine option value, particularly when other valuation methods are difficult to apply. This method estimates uncertainty probabilistically by increasing the number of simulations. The binomial tree model assumes that stock prices follow a binomial distribution with constant probabilities of rising and falling over time and is used to value American-style options that can be exercised before maturity when dividends are paid on the underlying stock.

10) Investor Drag-Along Rights

The fair value of drag-along rights held by SK Innovation Co., Ltd. in relation to the preferred shares of its subsidiary, SK On Co., Ltd., is measured using the binomial tree model. The significant input variable used to measure the fair value of these drag-along rights, stock price volatility, is estimated based on the historical stock price volatility of comparable substitute companies. The Group considers the estimated stock price volatility mentioned above to significantly impact the fair value of drag-along rights and, therefore, classifies their fair value measurement as Level 3 in the fair value hierarchy.

11) Investor-Held Options in SK On Co., Ltd.

The fair value of the obligations associated with options and price return swaps held by investors in relation to the common and preferred shares of SK On Co., Ltd., a subsidiary, is measured using the binomial tree model and the Monte Carlo simulation method. The significant input variable used in the fair value measurement, stock price volatility, is estimated based on the historical stock price volatility of comparable substitute companies. As the estimated stock price volatility has a significant impact on the fair value of investor-held options, the Group classifies their fair value measurement as Level 3 in the fair value hierarchy.

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6. Financial instruments (cont'd)

(6) Valuation techniques and inputs used for major financial instruments classified as Level 3

The valuation techniques and input variables used for major financial instruments classified as Level 3 are as follows (Korean won in millions):

		December 31, 2024				
	Valuation	₩	Valuation amount	Level 3 techniques	Inputs	Input variations
SK Shipping Co., Ltd.	Assets	₩	206,292	DCF model	Permanent growth rate WACC	0.00% 7.66%
Group14 Technologies, Inc. (*1)	Assets	₩	22,890	Market approach	EV/Sales multiple	2 ~ 96
Total return swap agreement	Liabilities	₩	226,797	Monte-Carlo simulation	Term structure of interest rate WACC	2.71% ~ 3.39% 13.78%
Financial Liabilities from guarantees obligations	Liabilities	₩	39,294	Binomial tree model	Per-Share underlying asset value Volatility	USD 28.93 50.00%
Drag-along right	Liabilities	₩	482,304	Binomial tree, Model Monte-Carlo simulation	Per-Share underlying asset value Volatility	KRW 55,569 35.00%
Accounts receivable from SK Innovation Group	Assets	₩	182,442	Present value method	Discount rate reflecting credit risk	0%
Blackstone Energy Partners III	Assets	₩	160,886	Asset approach	Net asset value	-
Rev Renewables, LLC	Assets	₩	468,930	DCF model	Permanent growth rate WACC	0.00% ~ 2.00% 7.50% ~ 11.50%
SENIC Inc.	Liabilities	₩	36,643	Monte-Carlo simulation	Volatility WACC	36.78% ~ 55.97% 14.04%
Accounts receivable from SK Specialty Group	Assets	₩	14,247	Present value Method	Discount rate reflecting credit risk	0%
Masan group Corporation put option	Assets	₩	120,448	Lattice Model	Volatility	38%

(*1) For the year ended December 31, 2024, the valuation technique used to measure the fair value of Group14 Technologies, Inc. was from the precedent transaction method to the market multiples approach.

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6. Financial instruments (cont'd)

	December 31, 2023					
	Valuation		Valuation amount	Level 3 techniques	Inputs	Input variations
SK Shipping Co., Ltd.	Assets	₩	175,831	DCF model	Permanent growth rate WACC	0.00% 8.52%
Group14 Technologies, Inc.	Assets	₩	335,538	Market approach	Precedent transaction method	-
Total return swap agreement	Liabilities	₩	250,903	Monte-Carlo simulation	Term structure of interest rate WACC	3.90% ~ 4.04% 17.08%
Drag-along right	Liabilities	₩	427,626	Binomial tree model	Per-Share underlying asset value Volatility	₩ 55,000 30.00%
Blackstone Energy Partners III	Assets	₩	131,570	Asset approach	Net asset value	-
Rev Renewables, LLC	Assets	₩	403,582	DCF model	Permanent growth rate WACC	0.00% ~ 2.00% 7.50% ~ 15.00%
Summit Carbon Holdings, LLC	Assets	₩	137,644	Actual transaction price	-	-

If the permanent growth rate increases (decreases), the fair value will increase (decrease) and if the weighted average cost of capital increases (decreases), the fair value will decrease (increase).

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7. Trade and other receivables

(1) Details of trade and other receivables as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			December 31, 2023		
	Gross amount	Allowance for doubtful accounts	Carrying amount	Gross amount	Allowance for doubtful accounts	Carrying amount
Trade receivables (*1)	₩ 13,853,364	₩ (398,992)	₩ 13,454,372	₩ 14,362,437	₩ (483,049)	₩ 13,879,388
Short-term loans	206,528	(78,708)	127,820	324,564	(78,009)	246,555
Other receivables	3,204,686	(90,164)	3,114,522	3,166,781	(106,469)	3,060,312
Accrued income	207,421	(657)	206,764	118,727	(1,404)	117,323
Short-term guarantee deposits	474,701	(869)	473,832	508,439	(809)	507,630
Short-term Lease receivables	33,362	-	33,362	23,892	-	23,892
Long-term trade receivables	743,590	(141,905)	601,685	589,171	(43,729)	545,442
Long-term loans	1,203,685	(420,067)	783,618	960,487	(287,460)	673,027
Long-term other receivables	296,055	(11,366)	284,689	830,235	(20,323)	809,912
Long-term accrued income	28,097	-	28,097	32,462	-	32,462
Long-term guarantee deposits	575,798	(2,592)	573,206	617,484	(2,039)	615,445
Long-term lease receivables	61,441	-	61,441	43,385	-	43,385
	<u>₩ 20,888,728</u>	<u>₩ (1,145,320)</u>	<u>₩ 19,743,408</u>	<u>₩ 21,578,064</u>	<u>₩ (1,023,291)</u>	<u>₩ 20,554,773</u>

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

(2) Details of contract assets and liabilities related to the contract with the customer as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Contract assets: (*1)		
Construction business	₩ 894,187	₩ 988,478
Telecommunication business	136,737	129,771
Others	371,225	294,712
	<u>₩ 1,402,149</u>	<u>₩ 1,412,961</u>
Contract liabilities: (*2)		
Construction business	₩ 1,365,867	₩ 1,123,313
Telecommunication business	229,706	212,493
City gas business	492,027	473,686
Others	1,031,335	1,029,912
	<u>₩ 3,118,935</u>	<u>₩ 2,839,404</u>

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

(*2) Contract liabilities are included in trade payables, advances received and other liabilities. The amount recognized as revenue in the current period in relation to the contract liabilities in the end of the prior period is ₩936,513 million.

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7. Trade and other receivables (cont'd)

(3) Details of construction profit variation by changes of accounting estimates related to construction contracts as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			
	Change in estimated construction revenue	Change in estimated cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries	₩ 5,037,141	₩ 4,247,704	₩ 243,607	₩ 545,830
Others	12,397	42,573	(28,497)	(1,679)
	₩ 5,049,538	₩ 4,290,277	₩ 215,110	₩ 544,151

	December 31, 2023			
	Change in estimated construction revenue	Change in estimated cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries	₩ 664,594	₩ 549,664	₩ 16,809	₩ 98,121
Others	(806)	8,583	(9,371)	(18)
	₩ 663,788	₩ 558,247	₩ 7,438	₩ 98,103

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

(4) Details of the construction contracts where the contract revenue exceeds 5% of the preceding year's revenue under the percentage-of-completion method as of December 31, 2024 and 2023 are as follows (Korean won in millions):

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	December 31, 2024		December 31, 2023	
					Unbilled receivables		Trade receivables (*2)	
					Gross amount	Impairment	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.76	₩ -	₩ -	₩ 60,012	₩ -

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	December 31, 2024		December 31, 2023	
					Unbilled receivables		Trade receivables (*2)	
					Gross amount	Impairment	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.63	₩ -	₩ -	₩ 60,012	₩ -

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

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

(5) The amount includes the carrying amount of trade receivables accounted for as secured borrowings (₩83,618 million as of December 31, 2024 and ₩113,351 million as of December 31, 2023) when financial assets were transferred by trade receivables factoring and asset securitization, but are not derecognized, in entirety or in part.

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
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8. Inventories

(1) Details of inventories as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			December 31, 2023		
	Acquisition	Valuation allowance	Book value	Acquisition	Valuation allowance	Book value
Merchandise	₩ 1,086,899	₩ (40,913)	₩ 1,045,986	₩ 1,483,797	₩ (73,429)	₩ 1,410,368
Finished goods	4,528,008	(272,117)	4,255,891	4,978,286	(324,487)	4,653,799
Semifinished goods and Work in progress	1,585,313	(142,767)	1,442,546	1,803,927	(131,952)	1,671,975
Raw materials and sub-materials	2,633,575	(116,710)	2,516,865	3,397,528	(165,039)	3,232,489
Materials in transit	3,266,695	(15,622)	3,251,073	3,079,113	-	3,079,113
Supplies	1,115,548	(12,130)	1,103,418	943,308	(5,839)	937,469
Uncompleted contracts	19,283	-	19,283	17,326	-	17,326
Others	7,464	(4,054)	3,410	5,169	(1,153)	4,016
	₩ 14,242,785	₩ (604,313)	₩ 13,638,472	₩ 15,708,454	₩ (701,899)	₩ 15,006,555

(2) Details of profit or loss recognized for the years ended December 31, 2024 and 2023 with regards to Inventories are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Loss (reversal) on valuation of inventories	₩ (97,586)	₩ (335,092)

9. Investment securities

(1) Details of investment securities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

SK Inc. and its subsidiaries
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9. Investment securities (cont'd)

	December 31, 2023							
	Equity instruments				Bond instruments			
	Listed Stocks		Unlisted Stocks		Listed debt securities		Unlisted debt securities	
Current assets								
Financial assets measured at FVTPL	₩	-	₩	-	₩	-	₩	186,793
Financial assets measured at FVOCI (*1)		-		-		-		-
Financial assets measured at amortized cost		-		-		-		45
	₩	-	₩	-	₩	-	₩	186,838
Non-current assets								
Financial assets measured at FVTPL	₩	329,190	₩	93,151	₩	-	₩	1,306,633
Financial assets measured at FVOCI (*1)		2,693,803		3,120,434		-		1
Financial assets measured at amortized cost		-		-		-		864
	₩	3,022,993	₩	3,213,585	₩	-	₩	1,307,498
	₩	3,022,993	₩	3,213,585	₩	-	₩	1,494,336

(*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.

(2) Details of the fair value of investments in major equity instruments designated as Financial assets measured at FVOCI as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Plug power, Inc.	₩	172,105	₩	318,930
China Gas Holdings Limited		-		91,103
Net Power, Inc.		455,030		462,383
Joby Aviation, Inc.		179,716		128,940
KRAFTON, Inc.		-		210,172
Kakao Corp.		413,267		587,445
Hana Financial Group Inc.		490,238		374,583
Innoscence Suzhou Technology Co., Ltd.		258,203		-

(3) Changes in Financial assets measured at FVOCI for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Beginning balance	₩	5,814,238	₩	5,972,901
Acquisitions		230,032		454,340
Disposals		(791,558)		(159,141)
Profit or loss		-		-
Other comprehensive income (loss)		(579,702)		(627,028)
Change in the scope of consolidation		(2,713)		(35,867)
Others		379,778		209,033
Ending balance	₩	5,050,075	₩	5,814,238

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10. Investments in joint ventures

(1) Details of investments in joint ventures as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	Domicile	Principal Business activity	December 31, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	China	Chemical product manufacturing	35.0	₩ 819,375	35.0	₩ 901,241	12
Beijing BESK Technology Co., Ltd.	China	Battery manufacturing	49.0	135,789	49.0	263,870	12
Lunar Energy, Inc.	USA	Power Management Services	43.5	71,797	43.5	97,817	12
ZETA CAYMAN Limited	Cayman	Overseas investment	50.0	175,410	50.0	153,906	12
Ignis Therapeutics	Cayman	Pharmaceutical manufacturing	41.0	84,594	41.0	93,293	12
Eurasia Tunnel	Turkey	construction	50.0	569,465	50.0	466,996	12
iParking Corp.(Formerly, Parkingcloud Corp.)	Korea	Business support service	44.5	153,580	44.5	155,569	12
BORYEONG LNG TERMINAL CO.,LTD.	Korea	Energy	50.0	181,525	50.0	172,398	12
SABIC SK Nexlene Company Pte. Ltd.	Singapore	Investment	50.0	225,047	50.0	228,782	12
Korea Security Holdings Co., Ltd. (*1)	Korea	Holding company	32.0	865,223	32.0	887,398	12
Zhejiang SK energy Baoying Group Co., Ltd.	China	Asphalt business	49.0	109,094	49.0	102,943	12
HSAGP ENERGY LLC	USA	Investment	50.0	1,804,716	50.0	831,600	12
Other				533,193		473,265	12
				<u>₩ 5,728,808</u>		<u>₩ 4,829,078</u>	

(*1) Due to the sale of some shares held by the subsidiary during the current period, resulting in loss of control, the remaining shares were reclassified as investments in joint ventures.

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

(2) Changes in carrying amount of investments in joint ventures for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024								
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 901,241	₩ -	₩ -	₩ (168,817)	₩ 86,951	₩ -	₩ -	₩ -	₩ 819,375
Beijing BESK Technology Co., Ltd.	263,870	-	-	(33,805)	27,539	-	(121,815)	-	135,789
Lunar Energy, Inc.	97,817	-	-	(35,119)	-	-	-	9,099	71,797
ZETA CAYMAN Limited	153,906	1,037	-	(1,086)	-	-	-	21,553	175,410
Ignis Therapeutics	93,293	-	-	(31,253)	22,554	-	-	-	84,594
Eurasia Tunnel	466,996	-	-	41,585	(8,290)	-	-	69,174	569,465
iParking Corp. (Formerly, Parkingcloud Corp.)	155,569	-	-	(2,157)	223	-	-	(55)	153,580
BORYEONG LNG TERMINAL CO.,LTD.	172,398	-	-	19,394	(267)	(10,000)	-	-	181,525
SABIC SK Nexlene Company Pte. Ltd.	228,782	-	-	5,994	(9,729)	-	-	-	225,047
Korea Security Holdings Co., Ltd.	887,398	-	-	(12,141)	(10,034)	-	-	-	865,223
Zhejiang SK energy Baoying Group Co., Ltd.	102,943	-	-	(1,262)	11,206	(3,793)	-	-	109,094
HSAGP ENERGY LLC	831,600	973,395	(3,703)	3,424	-	-	-	-	1,804,716
Other	473,265	93,621	(11,769)	(31,071)	534	(3,701)	-	12,314	533,193
	<u>₩ 4,829,078</u>	<u>₩ 1,068,053</u>	<u>₩ (15,472)</u>	<u>₩ (246,314)</u>	<u>₩ 120,687</u>	<u>₩ (17,494)</u>	<u>₩ (121,815)</u>	<u>₩ 112,085</u>	<u>₩ 5,728,808</u>

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

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10. Investments in joint ventures (cont'd)

	December 31, 2023									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance	
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 965,874	₩ -	₩ -	₩ (62,565)	₩ (2,068)	₩ -	₩ -	₩ -	₩ -	₩ 901,241
Beijing BESK Technology Co., Ltd.	251,247	-	-	13,531	(908)	-	-	-	-	263,870
Lunar Energy, Inc.	129,964	-	-	(41,235)	6,395	-	-	2,693	-	97,817
ZETA CAYMAN Limited	140,229	992	-	(989)	11,368	-	-	2,306	-	153,906
Ignis Therapeutics	90,858	-	-	(11,535)	1,854	-	-	12,116	-	93,293
Eurasia Tunnel	409,162	-	-	48,234	4,210	-	-	5,390	-	466,996
iParking Corp. (Formerly, Parkingcloud Corp.)	157,625	-	(7,946)	(2,534)	8,424	-	-	-	-	155,569
BORYEONG LNG TERMINAL CO.,LTD.	164,059	-	-	18,328	11	(10,000)	-	-	-	172,398
SABIC SK Nexlene Company Pte. Ltd.	189,585	-	-	52,532	(459)	(12,876)	-	-	-	228,782
Korea Security Holdings Co., Ltd.	-	891,954	-	(5,238)	682	-	-	-	-	887,398
Zhejiang SK energy Baoying Group Co., Ltd.	103,443	-	-	3,590	(451)	(3,639)	-	-	-	102,943
HSAGP ENERGY LLC	-	848,452	-	748	-	-	-	(17,600)	-	831,600
Other	393,667	105,075	(2,063)	(24,950)	951	(13,782)	(996)	15,363	-	473,265
	₩ 2,995,713	₩ 1,846,473	₩ (10,009)	₩ (12,083)	₩ 30,009	₩ (40,297)	₩ (996)	₩ 20,268	₩ -	₩ 4,829,078

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

(3) Details of reconciliation from net assets of significant investments in joint ventures to book value of investments in joint ventures as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024					
	Net assets	Equity ownership (%)	Net assets attributable to the ownership interests	Cost-book value differentials	Intercompany transactions and others	Book value
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 2,102,286	35.0	₩ 735,800	₩ 83,575	₩ -	₩ 819,375
Beijing BESK Technology Co., Ltd.	523,092	49.0	256,315	-	(120,526)	135,789
Lunar Energy, Inc.	286,149	43.5	124,475	-	(52,678)	71,797
ZETA CAYMAN Limited	350,818	50.0	175,410	-	-	175,410
Ignis Therapeutics (*1)	364,428	41.0	135,990	27,099	(78,495)	84,594
Eurasia Tunnel	1,113,067	50.0	556,533	-	12,932	569,465
iParking Corp. (Formerly, Parkingcloud Corp.)	133,375	44.5	59,322	94,258	-	153,580
Boryeong LNG Terminal Co., Ltd.	337,867	50.0	168,933	28,737	(16,145)	181,525
Sabic SK Nexlene Company Pte. Ltd.	509,700	50.0	254,850	-	(29,803)	225,047
Korea Security Holdings Co., Ltd. (*2)	(373,038)	32.0	(119,372)	984,595	-	865,223
Zhejiang SK energy Baoying Group Co., Ltd.	204,127	49.0	100,022	9,072	-	109,094
HSAGP ENERGY LLC	3,609,433	50.0	1,804,716	-	-	1,804,716

(*1) The net assets of the joint venture are multiplied by the share ratio after excluding related equity adjustment in the employee stock ownership plan.

(*2) Goodwill held by Korea Security Holdings Co., Ltd. was excluded from the net assets it was recognized as a joint venture investment.

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10. Investments in joint ventures (cont'd)

	December 31, 2023						
	Net assets	Equity ownership (%)	Net assets attributable to the ownership interests	Cost-book value differentials	Intercompany transactions and others	Book value	
	₩		₩	₩	₩	₩	₩
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	2,360,425	35.0	826,149	75,092	-	901,241	
Beijing BESK Technology Co., Ltd.	536,179	49.0	262,728	1,289	(147)	263,870	
Lunar Energy, Inc.	362,800	43.5	157,818	-	(60,001)	97,817	
ZETA CAYMAN Limited	307,812	50.0	153,906	-	-	153,906	
Ignis Therapeutics (*1)	358,810	41.0	136,352	23,770	(66,829)	93,293	
Eurasia Tunnel	913,371	50.0	456,686	-	10,310	466,996	
iParking Corp. (Formerly, Parkingcloud Corp.)	134,427	44.5	59,813	95,756	-	155,569	
Boryeong LNG Terminal Co., Ltd.	320,243	50.0	160,122	28,736	(16,460)	172,398	
Sabic SK Nexlene Company Pte. Ltd.	525,211	50.0	262,606	-	(33,824)	228,782	
Korea Security Holdings Co., Ltd. (*2)	(303,740)	32.0	(97,197)	984,595	-	887,398	
Zhejiang SK energy Baoying Group Co., Ltd.	193,457	49.0	94,794	8,149	-	102,943	
HSAGP ENERGY LLC	1,663,200	50.0	831,600	-	-	831,600	

(*1) The net assets of the joint venture are multiplied by the share ratio after excluding related equity adjustment in the employee stock ownership trust system.

(*2) Goodwill held by Korea Security Holdings Co., Ltd. was excluded from the net assets it was recognized as a joint venture investment.

(4) Condensed financial information's of significant investments in joint ventures as of December 31, 2024 and 2023 are as follows (Korean won in millions).

	December 31, 2024						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Sales	Net income (loss)	Total comprehensive income (loss)
	₩	₩	₩	₩	₩	₩	₩
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	672,146	4,540,687	2,266,025	844,522	8,327,072	(482,008)	(482,008)
Beijing BESK Technology Co., Ltd.	214,384	387,383	44,547	34,129	214,602	(66,945)	(66,945)
Lunar Energy, Inc.	167,110	159,598	14,253	26,306	5,695	(108,120)	(108,120)
ZETA CAYMAN Limited	1,875	349,494	550	-	-	(2,172)	(2,172)
Ignis Therapeutics	126,142	277,715	16,360	23,069	52	(68,307)	(68,486)
Eurasia Tunnel	385,949	1,832,989	239,455	866,415	21,730	123,743	134,631
iParking Corp. (Formerly, Parkingcloud Corp.)	107,378	95,148	44,203	24,949	94,334	(472)	(472)
Boryeong LNG Terminal Co., Ltd.	183,099	1,423,300	92,862	1,175,670	255,998	38,158	37,624
SABIC SK Nexlene Company Pte. Ltd.	346,508	647,689	194,288	290,209	383,366	3,945	(82,651)
Korea Security Holdings Co., Ltd.	689,616	5,155,283	520,134	2,728,026	2,004,711	(50,466)	(69,298)
Zhejiang SK energy Baoying Group Co., Ltd.	681,816	102,193	552,639	9,564	1,017,103	(2,072)	(2,208)
HSAGP ENERGY LLC	9,189	3,916,500	263,317	52,939	-	6,848	6,848

	December 31, 2023						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Sales	Net income (loss)	Total comprehensive income (loss)
	₩	₩	₩	₩	₩	₩	₩
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	863,233	4,199,064	1,044,873	1,656,999	10,864,951	(178,756)	(25,446)
Beijing BESK Technology Co., Ltd.	372,520	404,167	191,994	48,514	852,404	7,341	7,341
Lunar Energy, Inc.	225,646	158,978	14,660	7,164	3,404	(105,197)	(104,871)
ZETA CAYMAN Limited	1,745	306,556	489	-	-	(1,978)	(1,978)
Ignis Therapeutics	168,544	196,956	5,708	982	-	(35,811)	(36,243)
Eurasia Tunnel	303,210	1,614,454	190,620	813,673	17,096	93,508	96,902
iParking Corp. (Formerly, Parkingcloud Corp.)	121,766	67,284	35,410	19,212	83,976	(2,306)	(2,306)
Boryeong LNG Terminal Co., Ltd.	172,082	1,491,254	100,172	1,242,920	242,854	36,131	36,152
SABIC SK Nexlene Company Pte. Ltd.	418,680	520,367	147,318	266,518	655,464	100,684	93,076
Korea Security Holdings Co., Ltd.	594,756	5,147,138	531,301	2,544,556	888,094	(16,101)	(25,446)
Zhejiang SK energy Baoying Group Co., Ltd.	511,826	84,192	380,872	4,826	1,084,696	7,172	7,089
HSAGP ENERGY LLC	509,989	1,199,646	-	46,435	-	1,496	1,496

SK Inc. and its subsidiaries
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11. Investments in associates

(1) Details of investments in associates as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	Domicile	Principal Business activity	December 31, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
SK hynix Inc. (*1)	Koera	Semiconductor	20.1	₩ 16,039,588	20.1	₩ 11,694,067	12
Vingroup Joint Stock Company (*5)	Vietnam	Holding company	-	-	6.1	549,217	12
Eureka Midstream Holdings	USA	Resource development	40.0	624,675	40.0	549,070	12
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	Investment	8.6	265,546	15.8	489,055	12
Masan Group Corporation (*4,6)	Vietnam	Holding company(F&B, Livestock, Mining, Banking)	-	-	9.2	419,226	12
Darwin LNG Pty Ltd.	Australia	Wholesale, import and export of LNG gas and other	25.0	502,965	25.0	473,791	12
The CrownX Corporation (*2)	Vietnam	Holding company	4.9	367,331	4.9	380,736	12
FR BR Aggregator	USA	Resource development	39.0	250,035	39.0	164,973	12
Huizhou EVE United Energy Co., Ltd.	China	Battery Manufacturing	49.0	589,469	49.0	514,635	12
Peru LNG Company, LLC (*7)	USA	LNG	-	-	20.0	279,825	12
Daehan Oil Pipeline Corporation	Korea	Pipeline transportation	41.0	330,706	41.0	327,897	12
NHIP II Bison Holdings, LLC	USA	Resource development	24.4	306,660	24.4	307,089	12
Canakkale Highway And Bridge	Turkey	Construction	25.0	446,884	25.0	333,655	12
Korea IT Fund (*3)	Korea	Investment	63.3	363,138	63.3	336,404	12
Joyvio (*5)	China	Investment	-	-	13.3	195,987	12
Content Wavve Corp.	Korea	Broadcasting	40.5	59,744	40.5	118,459	12
Best Oil Company Ltd.	Myanmar	Oil product trading and distribution	35.0	188,564	35.0	150,945	9
TBM Co., Ltd. (*2)	Japan	Manufacturing	13.3	92,473	13.4	94,637	12
ENN (Zhoushan) LNG Co., Ltd. (*2)	China	Energy	10.0	178,419	10.0	146,415	12
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	Laos	Hydropower generation	26.0	148,379	26.0	149,761	12
BLOOMENERGY CORPORATION (*2)	USA	Other power generation	10.5	605,762	10.5	579,440	12
TERRAPOWER, LLC (*2)	USA	Small nuclear reactor	11.7	266,388	11.7	284,753	12
Londian Wason New Energy Tech. Inc.	Cayman	EV charger manufacturing	29.6	504,877	29.6	474,388	12
CENVIRO SDN. BHD.	Malaysia	Recycling and recovery	30.0	177,154	30.0	135,427	12
Goseong Green Power Co., Ltd. (*2)	Korea	Thermal power generation	10.0	117,813	10.0	117,674	12
ChangZhou BTR New Material Technology CO.,LTD.	China	New energy	25.0	122,188	25.0	107,487	12
Nexeon	UK	Investment	21.3	113,479	21.3	106,024	12
Amogy Inc. (*2)	USA	Fuel cell	15.3	95,619	15.3	101,966	12
Daeshin Core Growth Investment Fund	Korea	Investment	41.2	101,426	41.2	97,718	12
GREEN OLEOS CO., LTD.	Korea	Investment	40.0	105,299	40.0	104,439	12
REBELLIONS INC. (*8)	Korea	Non-memory and other electronic integrated circuits manufacturing	41.6	298,327	-	-	12
SK REIT Co., Ltd. (*9)	Korea	Real estate development and trading	32.1	387,430	-	-	3,6,9,12
Other				<u>1,729,287</u>		<u>1,923,269</u>	
				<u>₩ 25,379,625</u>		<u>₩ 21,708,429</u>	

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

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

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

(*4) The Group holds a put option related to this equity interest.

(*5) It was reclassified as held for sale for the year ended December 31, 2024. (See Note 38)

(*6) It was reclassified as held for sale and as a financial asset measured at fair value through profit or loss during the current period. (See Note 6, 38)

SK Inc. and its subsidiaries
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11. Investments in associates (cont'd)

- (*7) Disposed of for the year ended December 31, 2024.
(*8) The Group lost control over its subsidiaries, SAPEON Korea INC. and REBELLIONS INC., for the year ended December 31, 2024 due to a decrease in its ownership interest following their merger. Accordingly, these entities have been reclassified as investments in associates.
(*9) The Group lost control over SK REIT Co., Ltd, which was previously a subsidiary of the parent company, during the current period. As of the end of the reporting period, the remaining equity interest has been reclassified as an investment in associates.

(2) Changes in carrying amount of investments in associates for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance	
SK hynix Inc.	₩ 11,694,068	₩ 16,474	₩ -	₩ 4,238,663	₩ 265,703	₩ (175,320)	₩ -	₩ -	₩ 16,039,588	
Vingroup Joint Stock Company	549,217	-	(1,807)	(4,523)	10,204	-	(75,757)	(477,334)	-	
Eureka Midstream Holdings	549,071	-	-	15,979	-	(17,187)	-	76,812	624,675	
VCM Services And Trading Development Joint Stock Company	489,055	-	(234,267)	27	(68)	-	(35,551)	46,350	265,546	
Masan Group Corporation	419,227	-	(246,457)	(10,979)	(2,040)	-	-	(159,751)	-	
Darwin LNG Pty Ltd.	473,791	13,236	-	(43,508)	(4,366)	-	-	63,812	502,965	
The CrownX Corporation	380,736	-	-	5,217	7,071	-	(70,894)	45,201	367,331	
FR BR Aggregator	164,973	-	-	57,487	-	-	-	27,575	250,035	
Huizhou EVE United Energy Co., Ltd.	514,635	-	-	14,936	59,898	-	-	-	589,469	
Peru LNG Company, LLC	279,825	-	(291,418)	2,834	8,759	-	-	-	-	
Daehan Oil Pipeline Corporation	327,897	-	-	18,740	(294)	(15,637)	-	-	330,706	
NHIP II Bison Holdings, LLC	307,088	-	-	(40,308)	-	-	-	39,880	306,660	
Canakkale Highway And Bridge	333,655	28,795	-	63,923	20,511	-	-	-	446,884	
Korea IT Fund	336,404	-	-	23,552	8,237	(5,055)	-	-	363,138	
Joyvio	195,987	-	-	(74)	(43,523)	-	-	(152,390)	-	
Content Wavve Corp.	118,458	-	-	(66,673)	7,959	-	-	-	59,744	
Best Oil Company Limited	150,945	-	-	18,197	9,648	(1,462)	-	11,236	188,564	
TBM Co., Ltd.	94,636	-	-	(5,021)	-	-	-	2,858	92,473	
ENN (Zhoushan) LNG Co., Ltd.	146,415	-	-	10,957	(290)	-	-	21,337	178,419	
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	149,760	-	-	(15,354)	13,973	-	-	-	148,379	
BLOOMENERGY CORPORATION	579,440	-	-	(23,335)	(5,168)	-	-	54,825	605,762	
TERRAPOWER, LLC	284,753	-	-	(54,048)	-	-	-	35,683	266,388	
Londian Wason New Energy Tech. Inc.	474,388	-	-	(22,081)	-	-	-	52,570	504,877	
CENVIRO SDN. BHD.	135,427	-	-	15,373	784	-	-	25,570	177,154	
Goseong Green Power Co., Ltd.	117,674	-	-	148	(9)	-	-	-	117,813	
ChangZhou BTR New Material Technology CO.,LTD.	107,487	770	(16)	6,988	12,530	(5,571)	-	-	122,188	
Nexeon	106,023	-	(143)	(4,541)	2,856	-	-	9,284	113,479	
Amogy Inc.	101,966	-	-	(20,117)	13,770	-	-	-	95,619	
Daeshin Core Growth Investment Fund	97,719	-	-	3,714	36	(43)	-	-	101,426	
GREEN OLEOS CO., LTD.	104,439	-	-	860	-	-	-	-	105,299	
REBELLIONS INC.	-	-	-	-	-	-	-	298,327	298,327	
SK REIT Co., Ltd.	-	-	-	-	-	-	-	387,430	387,430	
Other	1,923,270	205,401	(176,925)	(128,689)	19,666	(52,431)	(122,388)	61,383	1,729,287	
	₩ 21,708,429	₩ 264,676	₩ (951,033)	₩ 4,058,344	₩ 405,847	₩ (272,706)	₩ (304,590)	₩ 470,658	₩ 25,379,625	

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

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11. Investments in associates (cont'd)

	December 31, 2023									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance	
SK hynix Inc.	₩ 13,876,478	₩ 5,468	₩ (2,163)	₩ (2,030,769)	₩ 20,374	₩ (175,320)	₩ -	₩ -	₩ 11,694,068	
Vingroup Joint Stock Company	668,735	-	-	(884)	35,860	-	(153,064)	(1,430)	549,217	
Eureka Midstream Holdings	558,039	-	-	15,426	-	(34,358)	-	9,964	549,071	
VCM Services And Trading Development Joint Stock Company	495,373	-	-	(7,320)	(7,298)	-	-	8,300	489,055	
Masan Group Corporation	382,546	-	(1,670)	(16,303)	51,132	-	-	3,522	419,227	
SK ecoengineering Co., Ltd.	508,121	-	-	(12,705)	8,102	-	-	(503,518)	-	
Darwin LNG Pty Ltd.	458,916	-	-	(2,238)	9,083	-	-	8,030	473,791	
Center For Breakthrough Medicines Holdings, LLC	387,739	195,812	(54,089)	(72,041)	-	-	-	(457,421)	-	
Shenzhen Londjian Wason Holdings Group. Co., Ltd.	468,993	-	-	(3,948)	-	-	-	(465,045)	-	
The CrownX Corporation	390,667	-	-	4,021	1,971	-	(21,104)	5,181	380,736	
FR BR Aggregator	286,327	48,953	-	(176,869)	-	-	-	6,562	164,973	
Huizhou EVE United Energy Co., Ltd.	430,301	-	-	86,844	(2,510)	-	-	-	514,635	
Peru LNG Company, LLC	291,151	-	(11,857)	(4,869)	5,400	-	-	-	279,825	
Daehan Oil Pipeline Corporation	325,794	-	-	17,711	(296)	(15,312)	-	-	327,897	
NHIP II Bison Holdings, LLC	301,753	-	-	(87)	-	-	-	5,422	307,088	
Canakkale Highway And Bridge	339,811	-	-	(1,227)	(4,929)	-	-	-	333,655	
Korea IT Fund	324,860	-	-	10,343	3,366	(2,165)	-	-	336,404	
SK Life Sciences Labs, Inc.	205,760	-	(157,519)	(5,057)	5,963	(7,844)	-	(41,303)	-	
Joyvio	219,137	-	-	3,058	(30,364)	-	-	4,156	195,987	
Content Wavve Corp.	139,931	24,760	-	(46,511)	(213)	-	-	491	118,458	
Best Oil Company Limited	135,364	-	-	12,824	1,661	-	-	1,096	150,945	
TBM Co., Ltd.	124,336	-	-	(5,426)	-	-	(19,597)	(4,677)	94,636	
ENN (Zhoushan) LNG Co., Ltd.	136,268	-	-	9,285	(1,418)	-	-	2,280	146,415	
8 Rivers Capital LLC	124,297	272,903	-	(2,536)	(35,283)	-	-	(359,381)	-	
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	149,956	-	-	(1,898)	1,702	-	-	-	149,760	
BLOOMENERGY CORPORATION	-	-	-	(2,782)	(1,235)	-	-	583,457	579,440	
TERRAPOWER, LLC	154,461	163,176	-	(33,993)	-	-	-	1,109	284,753	
Londian Wason New Energy Tech. Inc.	-	15,961	-	-	-	-	-	458,427	474,388	
CENVIRO SDN. BHD.	134,521	-	-	4,108	9	-	-	(3,211)	135,427	
Goseong Green Power Co., Ltd.	119,025	-	-	(1,319)	(32)	-	-	-	117,674	
ChangZhou BTR New Material Technology CO.,LTD.	83,264	3,380	(2,997)	21,150	2,690	-	-	-	107,487	
Nexeon	112,711	-	(5,184)	(5,747)	(38)	-	-	4,281	106,023	
Amogy Inc.	-	65,420	-	(7,683)	614	-	-	43,615	101,966	
Other	2,126,657	407,940	(58,380)	(89,957)	62,459	(58,862)	(123,004)	(141,425)	2,125,428	
	<u>₩ 24,461,292</u>	<u>₩ 1,203,773</u>	<u>₩ (293,859)</u>	<u>₩ (2,347,399)</u>	<u>₩ 126,770</u>	<u>₩ (293,861)</u>	<u>₩ (316,769)</u>	<u>₩ (831,518)</u>	<u>₩ 21,708,429</u>	

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

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11. Investments in associates (cont'd)

(3) Details of unrecognized changes in equity due to the suspension of equity method application in investments in associates as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	December 31, 2024	Accumulated	December 31, 2024	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 5,372	₩ 11,986	₩ -	₩ -
Chuncheon Green Energy Inc.	(25)	-	-	-
Yongin General Industrial Complex Co.,Ltd	17,468	17,468	8	8
InterVest New Growth Fund	(442)	274	274	274
CHUNGJU BIJEU KOEO CITY CO., LTD.	127	323	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	1,811	23,844	-	-
Chuncheon Clean Water Load Co., Ltd	9	27	-	-
Pohang New Water Road Co., Ltd	(116)	250	-	-
BARR Operation and Maintenance. LLP	(91)	-	-	-
Sonnori corp	18	240	-	-
Invites Genomics Co. LTD.	14,334	22,178	107	1,286
Uland Company Limited	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	4,176	-	-
Yemen LNG Company Ltd.	11,984	86,502	31,511	50,779
ECOCREATION CO.,LTD	2,214	2,214	2,209	2,209
Mas Teonje 171Hoyangju PFV Co., Ltd.	823	823	-	-
Mastern No.93 Logispoint Gimpo PFV Co.,Ltd	921	921	-	-
Haman Green Energy Co., Ltd.	589	589	-	-
Samam Solar Co., Ltd.	127	127	-	-
Hummingbird Bioscience Holdings Pte., Ltd.	5,086	5,086	2,694	2,694
VantAI Holdings, Inc	4,822	4,822	(288)	(288)
	₩ 65,031	₩ 182,861	₩ 36,515	₩ 56,962

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	December 31, 2023	Accumulated	December 31, 2023	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 1,626	₩ 6,614	₩ -	₩ -
Daehan 4 New Stay REIT Co., Ltd.	8,782	11,511	-	-
Chuncheon Fuel Battery Co., Ltd.	25	25	-	-
Yongin General Industrial Complex Co.,Ltd	(6,652)	-	-	-
InterVest New Growth Fund	216	716	-	-
CHUNGJU BIJEU KOEO CITY CO., LTD.	182	196	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	18,224	22,033	-	-
Chuncheon Clean Water Load Co., Ltd	9	18	-	-
Pohang New Water Road Co., Ltd	109	366	-	-
Gangneung Sacheon Fuelcell Co., Ltd.	(646)	838	-	-
BARR Operation and Maintenance. LLP	91	91	-	-
Sonnori corp	2	222	-	-
Invites Genomics Co. LTD.	7,844	7,844	1,179	1,179
Uland Company Limited	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	4,176	-	-
Yemen LNG Company Ltd.	16,507	74,518	6,132	19,268
	₩ 46,319	₩ 130,179	₩ 7,311	₩ 20,447

SK Inc. and its subsidiaries
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11. Investments in associates (cont'd)

(4) Details of reconciliation from net assets of associates controlled entities to book value of investments in associates controlled entities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024					Book value
	Net assets(*1)	Ownership percentage (%)	The Group's interest in net asset	Investment difference	Internal transaction	
SK hynix Inc. (*2)	₩ 73,915,704	20.1	₩ 15,667,520	₩ 612,191	₩ (240,123)	₩ 16,039,588
Eureka Midstream Holdings	857,489	40.0	342,996	281,678	-	624,674
VCM Services And Trading Development Joint Stock Company	252,095	8.6	21,680	243,867	-	265,547
Darwin LNG Pty Ltd.	84,995	25.0	21,249	481,716	-	502,965
The CrownX Corporation	1,584,295	4.9	77,631	289,700	-	367,331
FR BR Aggregator	641,115	39.0	250,035	-	-	250,035
Huizhou EVE United Energy Co., Ltd.	1,212,657	49.0	594,202	-	(4,733)	589,469
Daehan Oil Pipeline Corporation	770,266	41.0	315,822	22,878	(7,994)	330,706
NHIP II Bison Holdings, LLC	1,256,799	24.4	306,659	-	-	306,659
Canakkale Highway And Bridge	1,787,540	25.0	446,885	-	-	446,885
Korea IT Fund	573,376	63.3	363,138	-	-	363,138
Content Wavve Corp	(100,443)	40.5	(40,680)	133,135	(32,711)	59,744
Best Oil Company Limited	367,563	35.0	128,647	59,917	-	188,564
TBM Co., Ltd.	31,157	13.3	4,144	-	88,329	92,473
ENN (Zhoushan) LNG Co., Ltd.	913,382	10.0	91,338	87,081	-	178,419
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	467,846	26.0	121,640	-	26,739	148,379
BLOOMENERGY CORPORATION	409,413	10.5	42,047	563,716	-	605,763
TERRAPOWER, LLC	331,520	11.7	38,788	227,600	-	266,388
Londian Wason New Energy Tech. Inc.	1,206,919	29.6	357,248	-	147,630	504,878
CENVIRO SDN. BHD.	230,775	30.0	69,233	107,544	377	177,154
Goseong Green Power Co., Ltd.	1,004,037	10.0	100,404	8,652	8,758	117,814
ChangZhou BTR New Material Technology CO.,LTD.	489,481	25.0	122,370	904	(1,087)	122,187
Nexeon	138,641	21.3	28,881	77,754	6,843	113,478
Amogy Inc.	293,276	15.3	44,871	50,624	123	95,618
Daeshin Core Growth Investment Fund	246,391	41.2	101,513	-	(87)	101,426
GREEN OLEOS CO., LTD.	260,741	40.0	104,296	1,002	-	105,298
SK REIT Co., Ltd.	1,183,630	32.1	379,945	7,485	-	387,430

(*1) Net assets are the amount excluding the amount of non-controlling interests of the associates company.

(*2) The equity ownership presented is the ownership in respect to the number of shares issued by the investee, and the effective equity ratio of 21.23% was applied to the equity method valuation.

SK Inc. and its subsidiaries
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11. Investments in associates (cont'd)

	December 31, 2023					
	Net assets(*1)	Ownership percentage (%)	The Group's interest in net asset	Investment difference	Internal transaction	Book value
SK hynix Inc. (*2)	₩ 53,500,990	20.1	₩ 11,358,260	₩ 590,700	₩ (254,892)	₩ 11,694,068
Vingroup Joint Stock Company	6,536,436	6.1	398,723	150,494	-	549,217
Eureka Midstream Holdings	736,820	40.0	294,728	254,342	-	549,070
VCM Services And Trading Development Joint Stock Company	234,847	15.8	37,106	451,949	-	489,055
Masan Group Corporation	1,424,862	9.2	131,087	288,140	-	419,227
Darwin LNG Pty Ltd.	206,684	25.0	51,671	422,120	-	473,791
The CrownX Corporation	1,440,807	4.9	70,600	310,136	-	380,736
FR BR Aggregator	423,008	39.0	164,973	-	-	164,973
Huizhou EVE United Energy Co., Ltd.	1,057,996	49.0	518,418	-	(3,783)	514,635
Peru LNG Company, LLC	1,400,477	20.0	280,095	-	(270)	279,825
Daehan Oil Pipeline Corporation	763,494	41.0	313,045	22,878	(8,026)	327,897
NHIP II Bison Holdings, LLC	1,258,451	24.4	307,062	27	-	307,089
Canakkale Highway And Bridge	1,334,621	25.0	333,655	-	-	333,655
Korea IT Fund	531,163	63.3	336,404	-	-	336,404
Joyvio	1,025,216	13.3	136,354	59,633	-	195,987
Content Wavve Corp	(37,967)	40.5	(15,384)	133,386	457	118,459
Best Oil Company Limited	279,451	35.0	97,808	52,766	371	150,945
TBM Co., Ltd.	69,300	13.4	9,286	-	85,351	94,637
ENN (Zhoushan) LNG Co., Ltd.	697,454	10.0	69,745	76,670	-	146,415
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	469,397	26.0	122,043	-	27,717	149,760
BLOOMENERGY CORPORATION	625,196	10.5	65,521	152,166	361,753	579,440
TERRAPOWER, LLC	762,414	11.7	89,202	195,551	-	284,753
Londian Wason New Energy Tech. Inc.	686,062	29.6	203,074	-	271,314	474,388
CENVIRO SDN. BHD.	145,889	30.0	43,767	91,414	246	135,427
Goseong Green Power Co., Ltd.	999,091	10.0	99,909	8,652	9,113	117,674
ChangZhou BTR New Material Technology CO.,LTD.	429,649	25.0	107,434	813	(760)	107,487
Nexxon	145,213	21.3	30,896	68,819	6,309	106,024
Amogy Inc.	375,191	15.3	57,404	44,405	157	101,966

(*1) Net assets are the amount excluding the amount of non-controlling interests of the associates company.

(*2) The equity ownership presented is the ownership in respect to the number of shares issued by the investee, and the effective equity ratio of 21.23% was applied to the equity method valuation.

SK Inc. and its subsidiaries
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11. Investments in associates (cont'd)

(5) Condensed financial information's of significant investments in associates as of December 31, 2024 and 2023 are as follows (Korean won in millions).

	December 31, 2024						
	Current	Non-current		Non-current		Net income(loss)	Total comprehensive
	assets	assets	Current liabilities	liabilities	Sales		income(loss)
SK hynix Inc.	₩ 42,278,887	₩ 77,576,322	₩ 24,965,444	₩ 20,974,061	₩ 66,192,960	₩ 19,796,902	₩ 21,044,422
Eureka Midstream Holdings	70,688	1,273,103	483,039	3,263	175,872	55,632	55,632
VCM Services And Trading Development Joint Stock Company	718,381	331,302	757,198	40,390	1,901,865	331	331
Darwin LNG Pty Ltd.	86,196	685,072	46,851	639,421	-	(2,125)	(2,125)
The CrownX Corporation	1,824,191	1,919,090	1,714,847	101,948	2,474,510	280,840	280,840
Huizhou EVE United Energy Co., Ltd.	968,992	613,014	289,245	80,104	688,286	34,286	33,580
Daehan Oil Pipeline Corporation	209,700	873,094	43,241	269,287	198,924	45,282	44,566
Canakkale Highway And Bridge	555,570	3,944,570	61,025	2,651,575	57,471	271,464	238,231
Korea IT Fund	164,128	409,248	-	-	57,110	37,187	50,193
Content Wavve Corp	70,149	106,078	98,592	178,078	331,283	(153,050)	(152,688)
Best Oil Company Ltd.	1,114,792	219,983	954,906	12,306	2,093,709	35,963	35,963
TBM Co., Ltd.	62,521	30,528	7,954	53,938	48,205	(53,408)	(53,408)
ENN (Zhoushan) LNG Co., Ltd.	119,010	1,308,424	158,013	356,039	225,886	125,681	125,681
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	306,474	1,140,483	86,366	892,745	182,433	8,570	9,236
BLOOMENERGY CORPORATION	2,537,820	1,031,395	833,377	2,326,425	1,639,437	(240,715)	(259,618)
TERRAPOWER, LLC	699,814	268,885	173,167	308,197	4,920	(89,214)	(89,214)
Londian Wason New Energy Tech. Inc.	1,909,277	1,857,440	2,090,412	469,386	1,654,620	(52,187)	(53,315)
CENVIRO SDN. BHD.	154,013	347,659	85,103	185,794	165,073	53,507	53,479
Goseong Green Power Co., Ltd.	1,023,854	4,105,237	387,585	3,737,468	1,310,775	2,273	2,273
ChangZhou BTR New Material Technology CO.,LTD.	406,580	248,053	101,234	63,919	302,954	29,234	29,234
Nexeon	87,643	85,640	30,315	4,327	13,827	(18,725)	(18,725)
Amogy Inc.	48,974	334,296	9,381	80,613	-	(131,142)	(130,696)
Daeshin Core Growth Investment Fund	2,110	244,570	289	-	1,435	9,021	9,021
GREEN OLEOS CO., LTD.	216,076	419,806	155,115	220,026	490,354	8,068	-
SK REIT Co., Ltd.	100,540	4,333,002	1,161,820	2,006,906	52,410	2,336	2,336

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11. Investments in associates (cont'd)

	December 31, 2023						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Sales	Net income(loss)	Total comprehensive income(loss)
SK hynix Inc.	₩ 30,468,100	₩ 69,862,065	₩ 21,007,810	₩ 25,818,602	₩ 32,765,719	₩ (9,137,547)	₩ (9,037,495)
Vingroup Joint Stock Company	15,855,021	17,415,586	18,341,942	7,111,323	7,354,991	85,290	85,290
Eureka Midstream Holdings	39,638	1,128,867	16,896	414,789	156,512	56,744	56,744
VCM Services And Trading Development Joint Stock Company	621,162	366,986	478,157	274,800	1,227,567	(29,194)	(29,194)
Masan Group Corporation	2,545,389	5,172,475	2,874,328	2,818,041	3,159,587	74,153	74,153
Darwin LNG Pty Ltd.	282,422	197,152	71,593	201,297	528,760	24,606	24,606
The CrownX Corporation	1,975,141	1,170,962	1,174,755	498,808	2,285,358	199,851	199,851
Huizhou EVE United Energy Co., Ltd.	930,568	549,276	346,766	75,082	1,588,340	105,933	105,933
Peru LNG Company, LLC	595,524	2,332,892	422,923	1,105,016	1,928,728	(35,961)	(35,961)
Daehan Oil Pipeline Corporation	102,683	968,680	39,836	268,033	199,961	43,119	43,119
Canakkale Highway And Bridge	499,588	4,040,471	182,060	3,015,430	134,828	(4,907)	(93,164)
Korea IT Fund	128,344	402,819	-	-	33,017	16,330	21,646
Joyvio	1,861,938	2,318,831	1,886,539	922,348	3,895,525	(33,940)	(48,583)
Content Wavve Corp	116,305	192,968	91,478	230,848	333,908	(105,347)	(105,754)
Best Oil Company Ltd.	613,670	181,730	504,125	11,824	1,931,312	40,288	40,288
TBM Co., Ltd.	64,820	52,685	6,591	41,614	43,971	(35,884)	(35,884)
ENN (Zhoushan) LNG Co., Ltd.	420,965	1,120,605	651,481	192,635	256,612	94,403	94,403
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	210,678	1,159,432	829,678	71,035	171,978	(3,536)	(4,381)
BLOOMENERGY CORPORATION	2,169,379	868,248	595,350	1,817,082	552,841	(26,534)	(26,208)
TERRAPOWER, LLC	725,063	168,773	82,951	48,471	661	(293,353)	(293,353)
Londian Wason New Energy Tech. Inc.	1,596,268	1,152,390	1,563,113	499,484	1,323,264	24,137	24,137
CENVIRO SDN. BHD.	62,500	160,509	36,830	40,291	75,300	12,348	12,064
Goseong Green Power Co., Ltd.	1,112,832	4,259,607	414,198	3,959,149	1,580,545	(14,763)	(14,763)
ChangZhou BTR New Material Technology CO.,LTD.	437,250	220,789	169,711	58,679	1,346,242	84,381	84,381
Nexeon	110,593	42,973	5,103	3,251	7,691	(22)	(10)
Amogy Inc.	165,632	293,198	7,240	76,400	-	(50,063)	(50,063)

(6) Details of fair value of investments in associates as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
SK hynix Inc.	₩ 25,406,790	₩ 20,673,150
SK REIT Co., Ltd.	387,430	-
BLOOMENERGY CORPORATION	476,387	448,297
Loop Industries, Inc.	8,317	22,980
SM Culture&Contests Co., Ltd.	30,847	41,578
KONAN TECHNOLOGY CO.,LTD.	45,933	76,909
CMES Inc.	18,335	-

12. Investments in joint operations

Details of joint operations as of December 31, 2024 and 2023 are as follows:

Company name	Ownership percentage		Main business location	Date of financial statements	Nature of joint arrangement activities, etc.
	December 31, 2024	December 31, 2023			
Ulsan Aromatics Co., Ltd.	50%	50%	Korea	December 31	(*1,2)
PT. Patra SK	65%	65%	Indonesia	December 31	(*1,3,4)
HDGSK JV	25%	25%	Iraq	December 31	(*1,5)
TPSK JV	50%	50%	Vietnam	December 31	(*1,6)
BUILD KING - SK ECOPLANT JV(East)	40%	40%	Hong kong	December 31	(*1,7,9)
BUILD KING - SK ECOPLANT JV(West)	49%	49%	Hong kong	December 31	(*1,8,9)
RIVERLINKX CJV	20%	20%	UK	December 31	(*1,10)
Sotra Link Construction JV	30%	30%	Norway	December 31	(*1,11)

- (*1) The Group classified activities subject to the joint arrangement with the entities above as a joint operation, considering facts and circumstances that the contractual agreement is designed to provide outputs to relevant parties of the agreement, despite the terms of the agreement that grant the parties neither any rights to the assets nor any obligations to the liabilities in relation to the agreement.
- (*2) The entity was established as a joint venture with ENEOS Corporation on March 30, 2012 and is engaged in manufacturing of aromatic compounds.
- (*3) The entity was established as a joint venture with PT Pertamina Patra Niaga on November 19, 2006 and is engaged in lubricant oil manufacturing and sales activities.
- (*4) On August 22, 2024, pursuant to a resolution of the Board of Directors, the Group entered into a Conditional Share Purchase Agreement (CSPA) to sell a portion of its ownership interest in PT. Patra SK, over which it holds joint control. The sale process is expected to be completed within 2025.
- (*5) The entity was established as joint contract implementation purposes with Hyundai engineering & construction Co., Ltd. and GS Engineering & Construction Corp. on November, 2013 and is engaged in Construction activities on the Karbala Refinery Project site.
- (*6) The entity was established as joint contract implementation purposes with Technip Energies on February, 2018 and is engaged in Construction activities on the LSPC Project site.
- (*7) The entity was established as joint contract implementation purposes with Build King on June, 2017 and is engaged in Construction activities on the Yau Ma Tei East site.
- (*8) The entity was established as joint contract implementation purposes with Build King on October, 2017 and is engaged in Construction activities on the Yau Ma Tei West site.
- (*9) During the current period, the Group lost joint control over Yau Ma Tei East and Yau Ma Tei West through an agreement with its joint venture partner, Build King.
- (*10) The entity was established as joint contract implementation purposes with Alarko, Makyol on March, 2019 and is engaged in Construction activities on the Almaty Ring Road site.
- (*11) The entity was established as joint contract implementation purposes with Ferrovial, BAM on February, 2020 and is engaged in Construction activities on the Silvertown Tunnel site.

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13. Property, plant and equipment

(1) Details of property, plant and equipment as of December 31, 2024 and 2023 are as follows (Korean won in millions):

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

	December 31, 2023			
	Acquisition Cost	Depreciation	Impairment	Book value
Land	₩ 9,758,681	₩ -	₩ (14,976)	₩ 9,743,705
Buildings	9,504,809	(1,384,907)	(51,887)	8,068,015
Structures	3,240,861	(1,009,572)	(19,599)	2,211,690
Machinery and equipment	42,843,382	(20,590,235)	(184,290)	22,068,857
Vehicles	304,688	(137,354)	(2,276)	165,058
Operating lease asset	3,489,747	(905,169)	(3,968)	2,580,610
Others	10,029,092	(3,776,180)	(351,112)	5,901,800
Construction-in-progress	22,754,697	-	-	22,754,697
	<u>₩ 101,925,957</u>	<u>₩ (27,803,417)</u>	<u>₩ (628,108)</u>	<u>₩ 73,494,432</u>

(2) Changes in property, plant and equipment for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers(*1)	Others(*2)	
Land	₩ 9,743,705	₩ 15,419	₩ (60,177)	₩ -	₩ (3,917)	₩ 8,133	₩ (1,296,644)	₩ 8,406,519
Buildings	8,068,015	27,587	(61,754)	(328,326)	(8,132)	1,827,060	(300,881)	9,223,569
Structures	2,211,690	30,552	(11,328)	(135,369)	(3,727)	145,679	(12,708)	2,224,789
Machinery and equipment	22,068,857	640,193	(190,321)	(3,998,578)	(116,442)	3,750,207	637,612	22,791,528
Vehicles	165,058	19,386	(28,942)	(28,454)	(550)	5,324	(1,788)	130,034
Operating lease asset	2,580,610	483,446	(13,364)	(274,432)	(642)	(2,689,984)	149	85,783
Others	5,901,800	1,824,335	(71,541)	(629,382)	21,511	177,929	(181,939)	7,042,713
Construction-in-progress	22,754,697	13,417,280	(126,467)	-	(85,048)	(6,733,126)	1,231,464	30,458,800
	<u>₩ 73,494,432</u>	<u>₩ 16,458,198</u>	<u>₩ (563,894)</u>	<u>₩ (5,394,541)</u>	<u>₩ (196,947)</u>	<u>₩ (3,508,778)</u>	<u>₩ 75,265</u>	<u>₩ 80,363,735</u>

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

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

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

	December 31, 2023							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers(*1)	Others(*2)	
Land	₩ 9,316,944	₩ 57,948	₩ (57,018)	₩ -	₩ -	₩ 351,243	₩ 74,588	₩ 9,743,705
Buildings	6,609,655	52,141	(15,427)	(295,928)	-	1,737,358	(19,784)	8,068,015
Structures	1,906,675	32,264	(4,630)	(158,459)	-	416,734	19,106	2,211,690
Machinery and equipment	20,873,162	737,714	(37,314)	(4,223,149)	(33,743)	5,205,912	(453,725)	22,068,857
Vehicles	177,588	16,523	(5,748)	(29,290)	(2,269)	11,176	(2,922)	165,058
Operating lease asset	2,387,593	1,028,086	(18,765)	(523,470)	(5,329)	(286,751)	(754)	2,580,610
Others	5,280,842	1,526,665	(24,966)	(780,109)	(2,751)	10,942	(108,823)	5,901,800
Construction-in-progress	13,369,413	17,372,135	(11,785)	-	(62,465)	(8,388,577)	475,976	22,754,697
	<u>₩ 59,921,872</u>	<u>₩ 20,823,476</u>	<u>₩ (175,653)</u>	<u>₩ (6,010,405)</u>	<u>₩ (106,557)</u>	<u>₩ (941,963)</u>	<u>₩ (16,338)</u>	<u>₩ 73,494,432</u>

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

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

(3) Capitalized borrowing costs and capitalization rates for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Borrowing costs capitalized	₩ 423,250	₩ 292,401
Capitalization rate	2.68% ~ 7.93%	1.0% ~ 8.0%

14. Right-of-use assets and lease

(1) Details of right-of-use assets as of December 31, 2024 and December 31, 2023 are as follows (Korean won in millions):

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

	December 31, 2023			
	Acquisition Cost	Depreciation	Impairment	Book value
Land and buildings	₩ 4,179,799	₩ (1,526,917)	₩ (4,686)	₩ 2,648,196
Tanks	377,362	(233,567)	-	143,795
Ships	1,859,744	(531,945)	-	1,327,799
Vehicles	1,207,666	(559,835)	(3,649)	644,182
Others	662,360	(249,248)	(153)	412,959
	<u>₩ 8,286,931</u>	<u>₩ (3,101,512)</u>	<u>₩ (8,488)</u>	<u>₩ 5,176,931</u>

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

(2) Changes in right-of-use assets for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,648,196	₩ 820,197	₩ (58,542)	₩ (606,716)	₩ 162,738	₩ 2,965,873
Tanks	143,795	35,034	(8)	(70,048)	8,528	117,301
Ships	1,327,799	-	-	(152,850)	129,425	1,304,374
Vehicles	644,182	288,887	(82,164)	(162,199)	(500,913)	187,793
Others	412,959	208,627	(113,114)	(144,272)	(1,246)	362,954
	₩ 5,176,931	₩ 1,352,745	₩ (253,828)	₩ (1,136,085)	₩ (201,468)	₩ 4,938,295

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

	December 31, 2023					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,519,406	₩ 856,374	₩ (87,426)	₩ (654,542)	₩ 14,384	₩ 2,648,196
Tanks	156,403	54,532	(174)	(66,941)	(25)	143,795
Ships	1,435,547	37,102	-	(144,417)	(433)	1,327,799
Vehicles	946,903	241,960	(295,575)	(207,523)	(41,583)	644,182
Others	379,155	201,375	(50,034)	(105,557)	(11,980)	412,959
	₩ 5,437,414	₩ 1,391,343	₩ (433,209)	₩ (1,178,980)	₩ (39,637)	₩ 5,176,931

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

(3) Details of lease-related income and expenses from lease contracts where the consolidated entity is a lease user as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Depreciation of Right-of-use Assets	₩ 1,136,085	₩ 1,178,980
Interest cost on Lease Liabilities	227,870	215,537
Short-term Lease-Related Costs	180,614	191,649
Low-value underlying asset lease-related costs	22,643	14,439
Costs related to variable lease payments not included in the measurement of lease liabilities	185,030	213,370
	₩ 1,752,242	₩ 1,813,975

(4) Details of total cash out flows due to leases as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Total cash out flows from leases	₩ 1,683,417	₩ 1,900,356

(5) The present value of the total lease investments and minimum lease payments for finance leases as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024						
	Less than 1 year	1 ~ 2 years	2 ~ 3 years	3 ~ 4 years	4 ~ 5 years	More than 5 years	Total
Total investment in the lease	₩ 329,263	₩ 265,209	₩ 210,209	₩ 142,216	₩ 77,806	₩ 24,988	₩ 1,049,691
Present value of minimum lease payments	296,986	242,277	195,341	134,410	74,576	23,358	966,948

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

	December 31, 2023							Total
	Less than 1 year	1 ~ 2 years	2 ~ 3 years	3 ~ 4 years	4 ~ 5 years	More than 5 years		
Total investment in the lease	₩ 309,991	₩ 250,330	₩ 193,035	₩ 138,075	₩ 70,487	₩ 46,105	₩ 1,008,023	
Present value of minimum lease payments	284,293	232,184	180,937	130,785	66,624	40,082	934,905	

(6) Details of adjustments for undiscounted lease payments related to finance leases and net investments in finance leases as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Undiscounted finance lease payments to be received	₩ 1,049,691	₩ 1,008,023
Unrealized financial income related to finance lease receivables	82,743	73,118
Net investment in finance leases	966,948	934,905

15. Investment properties

(1) Details of investment properties as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Acquisition cost	₩ 1,249,413	₩ 3,323,282
Accumulated depreciation	(247,233)	(225,130)
Accumulated impairment loss	(7,841)	(4,247)
	₩ 994,339	₩ 3,093,905

(2) Changes in investment properties for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	
Land	₩ 1,241,040	₩ 136,811	₩ (19,097)	₩ -	₩ (6,533)	₩ (51,492)	₩ (789,599)	₩ 511,130
Buildings	1,841,385	76,206	(12,776)	(57,108)	(699)	18,325	(1,390,919)	474,414
Structures	1,041	41	(61)	(13)	-	(41)	(967)	-
right-of-use assets	10,439	-	-	(1,718)	-	74	-	8,795
	₩ 3,093,905	₩ 213,058	₩ (31,934)	₩ (58,839)	₩ (7,232)	₩ (33,134)	₩ (2,181,485)	₩ 994,339

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

	December 31, 2023							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	
Land	₩ 1,121,125	₩ 63,529	₩ (28,498)	₩ -	₩ -	₩ 59,183	₩ 25,701	₩ 1,241,040
Buildings	739,922	1,148,536	(19,588)	(39,976)	(400)	55,402	(42,511)	1,841,385
Structures	5,059	1,226	-	(125)	-	(5,024)	(95)	1,041
right-of-use assets	-	-	-	(2,423)	-	473	12,389	10,439
	₩ 1,866,106	₩ 1,213,291	₩ (48,086)	₩ (42,524)	₩ (400)	₩ 110,034	₩ (4,516)	₩ 3,093,905

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

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15. Investment properties (cont'd)

(3) Details of income and expenses related to investment properties for the year ended December 31, 2024 are as follows (Korean won in millions):

	December 31, 2024	
Rental income	₩	252,113
Expenses directly related to rental income		(18,978)
Expenses directly non-related to rental income		(37,690)
	₩	<u>195,445</u>

(4) The fair value of investment properties is ₩2,105,864 million and ₩4,088,971 million as of December 31, 2024 and 2023, respectively.

16. Goodwill

(1) Changes in goodwill for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024						
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers(*1)	Others(*2)	Ending balance
Goodwill	₩ 6,845,928	₩ -	₩ -	₩ (1,201,269)	₩ (199,069)	₩ 16,748	₩ 5,462,338

(*1) The Group decided to sell a portion of its equity interest in SK Specialty Co., Ltd., and the subsidiary SKC Co., Ltd. reclassified the thin-film business of SK Nexilis Co., Ltd. as discontinued operations, resulting in their reclassification to assets held for sale.

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

	December 31, 2023						
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers	Others(*1)	Ending balance
Goodwill	₩ 7,475,558	₩ 1,909	₩ 1,197,279	₩ (448,684)	₩ -	₩ (1,380,134)	₩ 6,845,928

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

(2) Impairment testing of goodwill

1) Goodwill of each operating segment for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
SK Inc. and others	₩ 829,741	₩ 1,700,536
Group of SK Innovation Co., Ltd.	315,856	319,817
Group of SK Telecom Co., Ltd.	407,655	407,655
Group of SK Square Co., Ltd.	242,359	229,541
Group of SK E&S Co., Ltd.(*1)	-	55,914
Group of SK Networks Co., Ltd.	309,844	493,364
Group of SKC Co., Ltd.	802,737	955,492
Group of SK Ecoplant Co., Ltd.	<u>2,554,146</u>	<u>2,683,609</u>
	<u>₩ 5,462,338</u>	<u>₩ 6,845,928</u>

(*1) For the year ended December 31, 2024, SK Innovation Co., Ltd. absorbed SK E&S Co., Ltd. through a merger.

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16. Goodwill (cont'd)

2) Significant assumptions to estimate the recoverable amounts reflected the management's expectation of future trend considered with external and internal (historical) information. Significant assumptions used in impairment testing of goodwill for the year ended December 31, 2024 are as follows:

	Recoverable amount	Growth rate (*1)	Discount rate (*2)
SK Inc. and others	Value in use	1.0%	12.7% ~ 14.5%
Group of SK Innovation Co., Ltd.	Value in use	0.0% ~ 2.0%	8.5% ~ 20.0%
Group of SK Telecom Co., Ltd.	Value in use	1.0%	5.2% ~ 6.0%
Group of SK Square Co., Ltd.	Value in use	1.0%	11.5% ~ 14.4%
Group of SK Networks Co., Ltd.	Value in use	1.0%	8.9% ~ 12.0%
Group of SKC Co., Ltd.	Value in use	1.0%	10.3% ~ 16.7%
Group of SK Ecoplant Co., Ltd.	Value in use	1.0%	7.5% ~ 12.0%

(*1) Future cash flows for additional periods after the estimated period are estimated using a fixed growth rate.

(*2) The discount rate used to determine the recoverable amount of each operating segment is based on the weighted-average cost of capital.

17. Intangible assets

(1) Details of intangible assets for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Frequency usage rights	₩ 3,564,907	₩ (2,429,361)	₩ -	₩ 1,135,546
Industrial property rights	313,088	(94,078)	(47,185)	171,825
Development costs	679,268	(298,336)	(116,813)	264,119
Facility usage rights	235,920	(205,019)	(5,095)	25,806
Customer-related assets	4,248,340	(1,994,917)	(69,653)	2,183,770
Development costs for petroleum resource	2,994,772	(1,286,257)	(229,738)	1,478,777
Membership	349,071	-	(28,861)	320,210
Brand-related assets	2,279,074	-	-	2,279,074
Developed technology	923,763	(168,811)	(56,392)	698,560
Others	8,322,725	(6,339,507)	(98,410)	1,884,808
	₩ 23,910,928	₩ (12,816,286)	₩ (652,147)	₩ 10,442,495

	December 31, 2023			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Frequency usage rights	₩ 3,564,907	₩ (1,958,301)	₩ -	₩ 1,606,606
Industrial property rights	278,088	(68,474)	(18,794)	190,820
Development costs	621,607	(299,021)	(81,515)	241,071
Facility usage rights	173,337	(145,579)	-	27,758
Customer-related assets	4,032,954	(1,534,433)	(37,098)	2,461,423
Development costs for petroleum resource	2,738,481	(1,125,099)	(130,759)	1,482,623
Membership	421,259	-	(46,502)	374,757
Brand-related assets	2,288,941	-	-	2,288,941
Developed technology	1,067,221	(111,396)	-	955,825
Others	8,024,590	(5,844,645)	(68,350)	2,111,595
	₩ 23,211,385	₩ (11,086,948)	₩ (383,018)	₩ 11,741,419

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17. Intangible assets (cont'd)

(2) Changes in intangible assets for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024								Ending balance
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers(*3)	Others(*4)		
Frequency usage rights	₩ 1,606,606	₩ -	₩ -	₩ (471,060)	₩ -	₩ -	₩ -	₩ -	₩ 1,135,546
Industrial property rights	190,820	8,193	(1,398)	(12,875)	(27,340)	3,595	10,830		171,825
Development costs	241,071	46,926	(11,752)	(61,266)	(50,165)	95,432	3,873		264,119
Facility usage rights	27,758	1,785	(3)	(4,757)	-	619	404		25,806
Customer-related assets	2,461,423	-	-	(322,833)	(21,780)	(6,767)	73,727		2,183,770
Development costs for petroleum resource	1,482,623	140,126	-	(161,159)	(23,002)	17,721	22,468		1,478,777
Membership (*1)	374,757	19,878	(67,047)	-	(603)	(7,393)	618		320,210
Brand-related assets (*1)	2,288,941	-	-	-	-	-	(9,867)		2,279,074
Developed technology	955,825	-	-	(185,004)	(125,904)	(735)	54,378		698,560
Others (*2)	2,111,595	139,519	(33,030)	(634,308)	(73,960)	412,474	(37,482)		1,884,808
	₩ 11,741,419	₩ 356,427	₩ (113,230)	₩ (1,853,262)	₩ (322,754)	₩ 514,946	₩ 118,949		₩ 10,442,495

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

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

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

(*4) This includes net exchange differences, changes in scope of consolidation and others.

	December 31, 2023								Ending balance
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers(*3)	Others(*4)		
Frequency usage rights	₩ 2,082,434	₩ -	₩ -	₩ (475,828)	₩ -	₩ -	₩ -	₩ -	₩ 1,606,606
Industrial property rights	194,812	12,473	(523)	(11,549)	(5,371)	2,553	(1,575)		190,820
Development costs	252,314	56,673	(486)	(48,459)	(37,327)	14,983	3,373		241,071
Facility usage rights	33,351	1,884	(16)	(4,848)	-	981	(3,594)		27,758
Customer-related assets	2,985,910	2,576	(2,359)	(267,196)	(37,559)	-	(219,949)		2,461,423
Development costs for petroleum resource	1,300,661	226,189	-	(91,529)	(886)	43,372	4,816		1,482,623
Membership (*1)	353,156	45,565	(22,481)	-	(602)	76	(957)		374,757
Brand-related assets (*1)	2,681,683	-	-	-	-	-	(392,742)		2,288,941
Developed technology	876,564	-	-	(183,760)	-	-	263,021		955,825
Others (*2)	1,948,134	183,295	(20,570)	(672,883)	(16,352)	572,568	117,403		2,111,595
	₩ 12,709,019	₩ 528,655	₩ (46,435)	₩ (1,756,052)	₩ (98,097)	₩ 634,533	₩ (230,204)		₩ 11,741,419

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

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

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

(*4) This includes net exchange differences, changes in scope of consolidation and others.

17. Intangible assets (cont'd)

(3) Impairment testing of brand-related assets

The Group has estimated the recoverable amount of brand-related assets with indefinite useful lives for the impairment test. Significant assumptions to estimate the recoverable amounts reflected the management's expectation of future trend considered with external and internal (historical) information.

Significant assumptions used in impairment testing of brand-related assets as of December 31, 2024 are as follows:

Value in use	<u>Growth rate (*1)</u> 1.00%	<u>Discount rate (*2)</u> 9.49% ~ 17.13%
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(*1) Future cash flows for additional periods after the estimated period are estimated using a fixed growth rate.

(*2) The discount rate was estimated by adding risk premium to weighted average cost of capital.

As a result of impairment test of brand-related assets, the carrying amount does not exceed the recoverable amount, so there is no impairment loss recognized for the year ended December 31, 2024.

(4) Research and development expenditures recognized as expenses for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

Research and development costs expensed as incurred	<u>December 31, 2024</u> ₩ 808,430	<u>December 31, 2023</u> ₩ 657,589
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(5) Details of Significant individual intangible assets as of December 31, 2024 and 2023 are as follows (Korean won in millions):

<u>December 31, 2024</u>		<u>Amount</u>	<u>Remaining amortization period</u>
Frequency usage rights	800 MHz frequency	₩ 65,873	18 Months
	1.8GHz frequency	202,751	24 Months
	2.6GHz frequency	242,830	24 Months
	2.1GHz frequency	152,378	24 Months
	3.5GHz frequency	471,714	47 Months
<u>December 31, 2023</u>		<u>Amount</u>	<u>Remaining amortization period</u>
Frequency usage rights	800 MHz frequency	₩ 109,789	30 Months
	1.8GHz frequency	308,534	36 Months
	2.6GHz frequency	364,250	36 Months
	2.1GHz frequency	231,879	36 Months
	3.5GHz frequency	592,154	59 Months

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18. Bonds and borrowings

(1) Details of bonds and borrowings as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 20,002,596	₩ -	₩ 17,388,374	₩ -
Bonds and long-term borrowings:				
Bonds	7,931,271	26,034,033	8,113,947	29,308,832
Long-term borrowings (*1)	6,857,615	22,039,096	4,905,343	19,261,397
	14,788,886	48,073,129	13,019,290	48,570,229
	₩ 34,791,482	₩ 48,073,129	₩ 30,407,664	₩ 48,570,229

(*1) It includes borrowings collateralized for trade receivables of ₩83,618 million and ₩113,351 million as of December 31, 2024 and 2023, respectively, which were transferred but not derecognized.

(2) Details of bonds payable as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
SK Inc.	₩ 7,415,000	₩ 7,300,000
SK Innovation Co., Ltd.	2,468,637	3,250,000
SK Energy Co., Ltd.	2,420,000	3,030,000
SK Geo Centric Co., Ltd.	1,850,000	1,650,000
SK Incheon Petrochem Co., Ltd.	1,797,000	1,817,000
SK Enmove Co., Ltd.	850,000	920,000
SK ie technology Co., Ltd.	325,000	-
SK Battery America, Inc.	1,764,000	2,063,040
SK On Co., Ltd.	1,911,000	1,146,820
IPC First Securitization Specialty Company	180,000	180,000
SK Telecom Co., Ltd.	6,649,000	6,682,580
SK Broadband Co., Ltd.	1,826,000	1,606,820
SAPEON Inc.	51,303	61,891
SK Networks Co., Ltd.	810,000	1,210,000
SK Magic Co., Ltd.	595,000	610,000
SK Speedmate Co., Ltd. (*1)	30,000	-
SKC Co., Ltd.	245,000	145,000
ISC Co., Ltd.	20,000	20,000
SK PIC Global Co., Ltd.	30,000	30,000
Paju Energy Service Co., Ltd.	210,000	610,000
Narae Energy Service Co., Ltd.	40,000	250,000
Yeosu Energy Service Co., Ltd.	30,000	200,000
Ige Co., Ltd.	130,000	130,000
SK Ecoplant Co., Ltd.	1,278,000	1,474,000
Topsun Co., Ltd.	4,028	4,245
SK Oceanplant Co., Ltd.	50,000	50,000
SK Airplus Incorporated.(formerly, SK Materials Airplus Incorporated.)	100,000	40,000
SK Siltron Co., Ltd.	929,000	869,000
Teraon Co., Ltd.	10	10
8 Rivers Capital LLC	4,410	4,835
SK Rent-a-Car Co., Ltd. (*2)	-	920,000
SK REITs Co., Ltd. (*2)	-	468,100
SK Specialty Co., Ltd. (*3)	-	580,000
SK Earthon Co., Ltd.	-	150,000
SK Enpulse Co., Ltd.	-	10,000
	34,012,388	37,483,341
Addition (less) : premium (discount) on bonds	(47,084)	(60,562)
Less: current portion	(7,931,271)	(8,113,947)
	₩ 26,034,033	₩ 29,308,832

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

(*2) It has been excluded due to changes in scope of consolidation for the year ended December 31, 2024.

(*3) It has been replaced by assets held for sale for the year ended December 31, 2024.

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18. Bonds and borrowings (cont'd)

(3) Details of long-term borrowings as of December 31, 2024 and 2023 are as follows (Korean won in millions):

Description	Financial institution	Issuing currency	Interest rate	December 31, 2024	December 31, 2023
General	Korea Development Bank and others	KRW	0.75% ~ 7.50%	₩ 9,347,600	₩ 7,925,789
Fund for facility	Korea Development Bank and others	KRW	1.53% ~ 6.93%	5,548,671	8,326,877
Foreign borrowings	Standard Chartered Bank and others	USD and Others	1.11% ~ 8.00%	12,632,918	6,200,145
Fund for mine exploration	Korea Energy Agency (*1)	USD	0.00% ~ 8.00%	108,300	104,284
Takeover	Korea Development Bank and others	USD	SOFR+2.00%	205,800	180,516
Takeover	Mizuho Bank and others	EUR	EURIBOR(3M)+1.60%	246,126	229,681
Repayment-exemptable loan	KentuckyEconomicDevelopment Finance Authority (*2)	USD	-	367,500	322,350
Others	MD Prime 1st Co., Ltd. and others	KRW	3M CD+1.8%, 4.95%	1,007,818	1,007,818
				₩ 29,464,733	₩ 24,297,460
Addition (less): premium (discount)				(568,022)	(130,720)
Less: current portion				(6,857,615)	(4,905,343)
				₩ 22,039,096	₩ 19,261,397

(*1) As of December 31, 2024 and 2023, the Group holds a loan amounting to ₩73,243 million and ₩57,560 million from Korea Energy Agency for the purpose of oil exploration and development in which there is no repayment obligation in case for failure in exploration.

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

Long-term borrowings presented above are to be repaid either in installments or all at once at maturity. Financial instruments and other assets of the Group are pledged as detailed in Note 41.

(4) Among the financial liabilities, the book value and related gains and losses related to the convertible or underwriting rights (or financial liabilities, including) of major financial instruments subject to the adjustment of the exercise price in response to changes in the issuer's stock price are as follows.

1) Details of major financial liabilities subject to adjustment of the exercise price according to changes in the issuer's stock price as of December 31, 2024 and 2023 are as follows. (Korean won in millions):

	December 31, 2024	December 31, 2023	Book value at the time of initial recognition
SK Oceanplant Co., Ltd 8th Unguaranteed Convertible Bond	₩ 38,360	₩ 34,721	₩ 30,409

2) The valuation gains and losses of major financial liabilities subject to the adjustment of the exercise price in accordance with the change in the issuer's stock price for the years ended December 31, 2024 and 2023 and gains and losses before reflecting related gains and losses, are as follows. (Korean won in millions):

	December 31, 2024	December 31, 2023
Profit before income tax expense from continuing operations (A)	₩ 1,096,557	₩ (853,618)
Valuation income(expense) (B)	162	6,744
Profit before income tax expense from continuing operations before reflecting valuation Income(expense) ((A)-(B))	1,096,395	(860,362)

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19. Long-term other payables

Details of long-term other payables as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			
	Nominal value	Discount on long-term other payables		Long-term other payables
		Current portion		
Frequency usage rights	₩ 921,075	₩ (13,355)	₩ (367,765)	₩ 539,955
Others	522,705	(60,972)	(43,251)	418,482
	<u>₩ 1,443,780</u>	<u>₩ (74,327)</u>	<u>₩ (411,016)</u>	<u>₩ 958,437</u>
	December 31, 2023			
	Nominal value	Discount on long-term other payables		Long-term other payables
		Current portion		
Frequency usage rights	₩ 1,290,225	₩ (29,772)	₩ (367,770)	₩ 892,683
Others	531,789	(82,308)	-	449,481
	<u>₩ 1,822,014</u>	<u>₩ (112,080)</u>	<u>₩ (367,770)</u>	<u>₩ 1,342,164</u>

20. Provisions

Changes in the provisions for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024							
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current
Provision for sale warranties	₩ 388,030	₩ 94,040	₩ (88,394)	₩ (7,477)	₩ 24,183	₩ 410,382	₩ 57,406	₩ 352,976
Provision for service / construction warranties	102,415	24,599	(15,575)	(5,667)	(4,642)	101,130	101,130	-
Provision for restoration	792,561	149,591	(19,105)	(25,864)	79,180	976,363	83,457	892,906
Provision for onerous contracts	186,575	38,118	(17,234)	(46,989)	(24,300)	136,170	98,300	37,870
Emission provisions	7,819	10,291	(5,150)	(2,446)	100	10,614	10,614	-
Litigation provisions	36,893	524	(650)	(4,420)	8,779	41,126	41,126	-
Other provisions	291,355	547,951	(492,188)	(105,914)	(11,005)	230,199	206,164	24,035
	<u>₩ 1,805,648</u>	<u>₩ 865,114</u>	<u>₩ (638,296)</u>	<u>₩ (198,777)</u>	<u>₩ 72,295</u>	<u>₩ 1,905,984</u>	<u>₩ 598,197</u>	<u>₩ 1,307,787</u>

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

	December 31, 2023							
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current
Provision for sale warranties	₩ 215,191	₩ 285,482	₩ (78,404)	₩ (37,095)	₩ 2,856	₩ 388,030	₩ 49,236	₩ 338,794
Provision for service / construction warranties	95,848	21,082	(15,932)	-	1,417	102,415	102,415	-
Provision for restoration	705,171	93,652	(2,892)	(20,377)	17,007	792,561	96,113	696,448
Provision for onerous contracts	282,239	48,282	(30,297)	(104,231)	(9,418)	186,575	149,287	37,288
Emission provisions	8,467	9,710	(5,347)	(4,761)	(250)	7,819	7,819	-
Litigation provisions	18,542	35,695	(12,637)	(6,416)	1,709	36,893	36,610	283
Other provisions	181,566	350,782	(213,396)	(28,000)	403	291,355	137,550	153,805
	<u>₩ 1,507,024</u>	<u>₩ 844,685</u>	<u>₩ (358,905)</u>	<u>₩ (200,880)</u>	<u>₩ 13,724</u>	<u>₩ 1,805,648</u>	<u>₩ 579,030</u>	<u>₩ 1,226,618</u>

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

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21. Retirement benefit plan

(1) Expenses related to the defined contribution type retirement benefit system for the years ended December 31, 2024 and 2023 are ₩65,787 million and ₩47,045 million, respectively.

(2) Details of defined benefit liabilities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Present value of defined benefit obligation	₩ 3,867,243	₩ 3,749,577
Fair value of plan assets	(4,119,724)	(4,212,131)
Defined benefit asset (*1)	(339,646)	(518,616)
Defined benefit liability	87,165	56,062

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

(3) Changes in the defined benefit liabilities for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	<u>December 31, 2024</u>		
	<u>Present value of defined benefit obligation</u>	<u>Fair value of plan assets</u>	<u>Total</u>
Beginning balance	₩ 3,749,577	₩ (4,212,131)	₩ (462,554)
Current service cost	448,269	-	448,269
Past Service cost	10,914	-	10,914
Net interest cost (income)	154,460	(177,331)	(22,871)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	10,945	10,945
Changes in demographic assumption	(10,050)	-	(10,050)
Changes in financial assumption	158,525	-	158,525
Experience adjustment	4,138	-	4,138
Contributions	-	(385,394)	(385,394)
Benefit payments	(559,817)	516,056	(43,761)
Payment amount due to settlement	(36,730)	34,679	(2,051)
Effects of change in foreign exchange rates	12,874	(10,513)	2,361
Others	(64,917)	103,965	39,048
Ending balance	<u>₩ 3,867,243</u>	<u>₩ (4,119,724)</u>	<u>₩ (252,481)</u>

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21. Retirement benefit plan (cont'd)

	December 31, 2023		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,418,566	₩ (3,908,480)	₩ (489,914)
Current service cost	423,583	-	423,583
Past Service cost	(10,103)	-	(10,103)
Loss(profit) due to balance accounts	(256)	-	(256)
Net interest cost (income)	172,515	(200,463)	(27,948)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	18,752	18,752
Changes in demographic assumption	(25,482)	-	(25,482)
Changes in financial assumption	207,357	-	207,357
Experience adjustment	55,940	-	55,940
Contributions	487	(401,933)	(401,446)
Benefit payments	(427,389)	347,849	(79,540)
Consolidations	78,541	(85,662)	(7,121)
Effects of change in foreign exchange rates	3,530	(2,354)	1,176
Others	(147,712)	20,160	(127,552)
Ending balance	₩ 3,749,577	₩ (4,212,131)	₩ (462,554)

(4) Details of fair value of plan assets as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Cash and cash equivalents	₩ 158,600	₩ 183,326
Equity instruments	124,182	122,425
Debt instruments	1,816,228	1,575,980
Short-term financial instruments and others	2,020,714	2,330,400
	₩ 4,119,724	₩ 4,212,131

(5) The principal assumptions used in actuarial calculation as of December 31, 2024 and 2023 are as follows:

	December 31, 2024	December 31, 2023
Discount rate for defined benefit obligation	0.95% ~ 4.95%	1.50% ~ 8.66%
Expected rate of salary increase	1.50% ~ 6.82%	1.00% ~ 6.86%

The discount rate is calculated based on the market rate of return on blue-chip corporate bonds similar to the expected payment period of defined benefit obligations as of the end of the current term, and the future wage increase rate is calculated in consideration of the empirical promotion index of consolidated entities and the wage increase rate reflecting inflation and wage agreements.

(6) If each significant acceptable insurance assumption changes within the reasonable range that may occur, the impact on defined benefit obligations as of December 31, 2024 and 2023 are as follows. (Korean won in millions):

	Sensitivity level	December 31, 2024	
		Increase	Decrease
Discount rate for defined benefit obligation	0.5% point	₩ (133,410)	₩ 144,428
Expected rate of salary increase	0.5% point	137,453	(125,955)

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21. Retirement benefit plan (cont'd)

	Sensitivity level	December 31, 2023	
		Increase	Decrease
Discount rate for defined benefit obligation	0.5% point	₩ (125,588)	₩ 133,946
Expected rate of salary increase	0.5% point	130,143	(123,514)

The sensitivity analysis provides an approximation of the sensitivity to the assumptions used, although the variance of all cash flows expected to occur in the scheme is not taken into account.

22. Other assets and liabilities

(1) Details of other assets as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Current assets :				
Short-term loans	₩	127,820	₩	246,555
Accrued income		206,764		117,323
Advanced payments		1,450,701		1,452,222
Prepaid expenses		2,752,841		2,865,728
Guarantee deposits		473,832		507,630
Derivative financial assets		1,404,138		290,304
Lease receivables		33,362		23,892
Other contract assets		146,886		111,638
Others		83,321		113,424
	₩	<u>6,679,665</u>	₩	<u>5,728,716</u>
Non-current assets :				
Long-term prepaid expenses	₩	1,209,989	₩	1,217,004
Long-term accrued income		28,097		32,462
Long-term advanced payments		70,626		49,738
Long-term loans		783,618		673,027
Guarantee deposits		573,206		615,445
Derivative financial assets		929,625		1,258,951
Long-term lease receivables		61,441		43,385
Other long-term contract assets		46,352		57,228
Others		83,134		74,730
	₩	<u>3,786,088</u>	₩	<u>4,021,970</u>

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22. Other assets and liabilities (cont'd)

(2) Details of other liabilities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023
Current liabilities :			
Accrued expenses	₩ 4,563,921	₩	4,364,459
Dividends payable	1,382		983
Advances received	1,954,393		1,824,137
Unearned revenue	142,133		269,329
Withholdings	1,212,624		1,011,052
Leasehold deposits received	938,005		1,086,643
Income tax payable	905,757		903,539
Derivative financial liabilities	723,651		368,900
Lease liabilities	1,082,184		1,239,548
Finance guarantee liabilities	31,425		10,048
Financial liabilities at fair value through profit or loss	65,697		25,085
Other contract liabilities	313,466		240,815
Others	45,724		37,132
	<u>₩ 11,980,362</u>	<u>₩</u>	<u>11,381,670</u>
Non-current liabilities :			
Long-term accrued expenses	₩ 13,754	₩	21,078
Advances received	716,379		809,827
Long-term unearned revenue	703,724		763,917
Leasehold deposits received	92,953		391,159
Derivative financial liabilities	1,082,222		1,250,772
Long-term lease liabilities	4,161,502		3,989,530
Financial guarantee liabilities	-		18,514
Financial liabilities at fair value through profit or loss	1,022,237		457,319
Other long-term contract liabilities	95,363		98,901
Others (*1)	761,965		597,389
	<u>₩ 8,650,099</u>	<u>₩</u>	<u>8,398,406</u>

(*1) Others Include long-term employee benefit liabilities amounting to ₩187,774 million and ₩134,549 million as of December 31, 2024 and 2023, respectively.

(3) Details of incremental costs of obtaining a contract as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024		December 31, 2023
Current incremental costs of obtaining a contract	₩ 1,881,608	₩	1,882,296
Non-current incremental costs of obtaining a contract	1,038,170		1,022,813
	<u>₩ 2,919,778</u>	<u>₩</u>	<u>2,905,109</u>

The Group pays fees to its dealers based on the performance of customer recruitment and contract renewal relating to mobile telephone services, etc., and among these fees, costs that would not have been incurred if there were no contracts with the customer is recognized as prepaid expenses. The asset is amortized on a straight-line basis over the estimated contract period with the related customer. On the other hand, the amount of incremental cost of obtaining a contract recognized as an asset which was expensed as commission expense and others in the consolidated statement of comprehensive income for the current period is ₩2,493,346 million.

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23. Derivative financial assets and liabilities

(1) Details of derivative financial assets and liabilities as of December 31, 2024 and 2023 are as follows (Korean won in millions):

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

	December 31, 2023			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 12,050	₩ 21,028	₩ 3,022	₩ 76,674
Swap contracts	151,228	245,454	16,412	632,318
Forward contracts	76,012	51,551	325,013	11,274
Futures contracts	7,560	-	195	-
Options contracts	42,496	929,501	9,302	435,306
Embedded derivative	958	11,417	14,956	95,200
	₩ 290,304	₩ 1,258,951	₩ 368,900	₩ 1,250,772

(2) The Group has entered into derivatives (such as foreign exchange forwards, foreign exchange swap and interest swap) contracts in order to avoid exchange rate risk of foreign currency assets and liabilities and the interest rate risk associated with debts. In addition, The Group recognizes derivatives for various rights such as call options and put options granted under the agreement between shareholders. As of December 31, 2024, significant derivative financial instruments that the Group holds as a hedge or held-for-trading are as follows:

Segments	Purpose of transaction	Classification	Financial institutes
SK Inc. and others	Hedge of foreign currency exchange risk of foreign currency denominated contract and others	Foreign exchange forwards and interest swap and other	KEB Hana Bank and others
SK Innovation Co., Ltd.	Cash flow hedge of forecasted sales of products and interest rate risk hedge for floating rate borrowings rates and others	Merchandise derivative and interest swaps foreign exchange and others	BOA, Credit Agricole and others
SK Telecom Co., Ltd.	Hedge of currency exchange, and interest swaps foreign currency denominated bond and the risk of changes in market interest rates and others	Foreign exchange swaps and interest swaps and others	Morgan Stanley bank, CitiBank and others
SK Square Co., Ltd.	Purpose of sale	Conditional payment consideration, option and others	individual and others
SK Networks Co., Ltd.	Purpose of sale	Foreign exchange	KEB Hana Bank, Shinhan Bank and others
SKC Co., Ltd.	Purpose of sale	Foreign exchange forwards and interest rate swaps and others	KEB Hana Bank, Woori Bank, Shinhan Bank and others
SK Ecoplant Co., Ltd.	Hedge of exchange rate fluctuations of foreign currency assets and liabilities, hedge of interest rate fluctuations such as loans and others	Foreign exchange forwards and interest rate swaps and others	KEB Hana Bank, Woori Bank, HSBC and others
SK Siltron Co., Ltd.	Exchange rate and interest rate fluctuation risk aversion of foreign currency borrowings with variable interest rates	Foreign exchange swap and interest rate swaps	Korea Development Bank, Korea Eximbank, NH Bank

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24. Share capital

(1) Details of share capital as of December 31, 2024 and 2023 are as follows (Korean won in millions, except for number of shares):

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

	December 31, 2023	
	Common stocks	Preferred stocks (No voting rights)
Number of shares authorized (in shares)	400,000,000	45,000,000
Par value per share (Korean won)	₩ 200	₩ 200
Number of shares issued (in shares)	73,198,329	566,135
Issued capital	₩ 16,030	₩ 113

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

(2) Changes in the total number of shares issued for the years ended December 31, 2024 and 2023 are as follows (In shares):

	December 31, 2024	
	Common stocks	Preferred stocks (No voting rights)
Beginning	73,198,329	566,135
Retirement of treasury shares	(695,626)	-
Ending	72,502,703	566,135

	December 31, 2023	
	Common stocks	Preferred stocks (No voting rights)
Beginning	74,149,329	566,135
Retirement of treasury shares	(951,000)	-
Ending	73,198,329	566,135

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25. Other paid-in capital

(1) Details of other paid-in capital as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,948,386)	(1,960,078)
Other capital surplus	6,588,770	2,375,837
	<u>₩ 11,249,551</u>	<u>₩ 7,024,926</u>

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

(*2) As of December 31, 2024, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (6,959,117 ordinary shares) and those acquired from repurchase of shares from dissenting shareholders on business combination and shares arising from odd lot shares (11,023,237 ordinary shares and 1,787 preferred shares) for the year 2015.

(2) Details of treasury shares as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Number of treasury shares (in shares)	17,984,141	18,336,199
Acquisition amount	₩ 1,948,386	₩ 1,960,078

(3) Changes in treasury shares for the years ended December 31, 2024 and 2023 are as follows (In shares):

	December 31, 2024	December 31, 2023
Beginning	18,336,199	18,976,607
Acquisition	357,602	338,026
Disposal	(14,034)	(27,434)
Retirement	(695,626)	(951,000)
Ending	<u>17,984,141</u>	<u>18,336,199</u>

26. Retained earnings

Details of retained earnings as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Legal reserve		
Earned surplus reserve (*1)	₩ 8,072	₩ 8,072
Voluntary reserve		
Reserve for business rationalization	11,121	11,122
Reserve for business improvement	51,775	51,775
Unappropriated retained earnings	11,810,940	13,597,097
	<u>₩ 11,881,908</u>	<u>₩ 13,668,066</u>

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

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27. Dividends

(1) Details of dividends proposed for approval at the annual ordinary shareholders' meeting for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions, except for number of shares):

	For the years ended			
	December 31, 2024		December 31, 2023	
	Ordinary share	Preferred share (No voting rights)	Ordinary share	Preferred share (No voting rights)
Number of shares issued (in shares)	72,502,703	566,135	73,198,329	566,135
Number of treasury shares (in shares)	17,982,354	1,787	18,679,439	1,787
Number of shares (in shares)	54,520,349	564,348	54,518,890	564,348
Dividend per share(Korean won)	₩ 5,500	₩ 5,550	₩ 3,500	₩ 3,550
Par value per share(Korean won)	200	200	200	200
Dividend rate per share	2,750%	2,775%	1,750%	1,775%
Dividends	₩ 299,862	₩ 3,132	₩ 190,816	₩ 2,003

(2) Details of Interim dividends proposed for approval at board of directors for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended			
	December 31, 2024		December 31, 2023	
	Ordinary share	Preferred share (No voting rights)	Ordinary share	Preferred share (No voting rights)
Number of shares issued (in shares)	72,502,703	566,135	73,198,329	566,135
Number of treasury shares (in shares)	17,982,354	1,787	17,996,386	1,787
Number of shares (in shares)	54,520,349	564,348	55,201,943	564,348
Dividend per share(Korean won)	₩ 1,500	₩ 1,500	₩ 1,500	₩ 1,500
Par value per share(Korean won)	200	200	200	200
Dividend rate per share	750%	750%	750%	750%
Dividends	₩ 81,780	₩ 847	₩ 82,802	₩ 847

28. Other components of equity

Details of other components of equity as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Net gain on valuation of financial assets measured at FVOCI	₩ (1,939,136)	₩ (1,548,777)
Equity adjustments of investments in associates and joint ventures	731,439	159,350
Net gain on valuation of derivative instruments	54,804	43,735
Net gain on translation of foreign operation	3,119,882	1,363,271
	₩ 1,966,989	₩ 17,579

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29. Shared-based payment

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

(1) SK Inc.

- Cash-settled share-based payment

1) The terms and conditions related to the grants of the stock options granted under the share option program as of December 31, 2024 are as follows (Korean won):

	1-3(*1)	2-1	2-2	2(*2,3)	1(*3)	2(*3)
Grant date	2017-03-24	2020-03-25	2020-03-25	2018-03-29	2020-03-31	2020-03-31
Type of shares to be issued	Ordinary shares					
Grant method	Reissue of treasury shares, but if the stock option's exercise price is lower than the stock's real price (evaluated based on exercise date), the Company may settle the difference in cash or with treasury share equivalent to the difference amount.					
Number of shares (in shares)	41,431	142,692	71,346	18,607	39,098	19,551
Exercise price (Korean won)	₩ 263,950	₩ 153,450	₩ 153,450	₩ 108,959	₩ 89,204	₩ 89,204
Contractual life of options	2021.03.25 ~2024.03.24	2023.03.26 ~2027.03.25	2023.03.26 ~2027.03.25	2021.03.29 ~2024.03.28	2023.03.31 ~2027.03.30	2023.03.31 ~2027.03.30
Vesting conditions	4 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	2 year service from the grant date	3 year service from the grant date

(*1) All options granted in wave 1-3 were fully forfeited for the year ended December 31, 2024.

(*2) All options granted in wave 2 were fully exercised for the year ended December 31, 2024.

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

2) Details of compensation cost as of December 31, 2024 and 2023, due to stock option program are as follows (Korean won in millions):

December 31, 2024					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (6,411)	₩ 8,893	₩ -	₩ 8,893	₩	₩ 7,566
December 31, 2023					
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (2,232)	₩ 16,517	₩ -	₩ 16,517	₩	₩ 15,304

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29. Shared-based payment (cont'd)

3) Changes in stock options for the years ended December 31, 2024 and 2023 are as follows (Korean won):

	For the year ended December 31, 2024		For the year ended December 31, 2023	
	Stocks (in shares)	Weighted average exercise price	Stocks (in shares)	Weighted average exercise price
Beginning balance	332,725	₩ 153,397	392,762	₩ 160,508
Shares granted	-	-	-	-
Exercised	(18,607)	108,959	(18,607)	100,884
Extinguished	(41,431)	263,950	(41,430)	244,400
Ending balance	272,687	₩ 139,632	332,725	₩ 153,397
Stock Options available for exercise	58,649	₩ 89,204	291,294	₩ 137,673

4) The assumptions and variables used in option pricing model as of December 31, 2024 are as follows (Korean won):

Descriptions	December 31, 2024			
	2-1 The binomial model	2-2 The binomial model	1 The binomial model	2 The binomial model
Option Pricing Model				
Expected price(Closing price on the preceding day)	₩ 131,500	₩ 131,500	₩ 131,500	₩ 131,500
Risk-free interest rate	2.74%	2.74%	2.74%	2.74%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	41.20%	41.20%	41.20%	41.20%
Dividend yield	3.80%	3.80%	3.80%	3.80%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 21,892	₩ 21,892	₩ 49,116	₩ 49,116

- Equity-settled share-based payment

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

Descriptions	December 31, 2023	December 31, 2024
Grant date	March 29, 2023	March 27, 2024
Types of shares to be issue	Ordinary shares	
Grant method	Reissue of treasury shares, cash payment for specific reasons	
Number of shares paid	Determined in consideration of the absolute stock price increase/decrease rate and the relative stock price increase/decrease rate (or corporate value increase/decrease rate) compared to the KOSPI200 for three years from the date of grant	
Payment time	The final quantity or amount of payment will be confirmed on the date of the regular shareholders' meeting in 2026, within one month after the date of resolution of the board of directors, on the premise of the approval of the agenda of the board of directors approving the payment	The final quantity or amount of payment will be confirmed on the date of the regular shareholders' meeting in 2027, within one month after the date of resolution of the board of directors, on the premise of the approval of the agenda of the board of directors approving the payment
Vesting conditions	1 year service from January 1, 2023	1 year service from January 1, 2024

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29. Shared-based payment (cont'd)

2) Details of compensation cost as of December 31, 2024, due to Equity-settled Share-based Payment are as follows (Korean won in millions):

December 31, 2024				
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	
₩ 3,330	₩ 9,580	₩ -	₩ 9,580	

3) The assumptions and variables used in the option pricing model for equity-settled share-based payment as of December 31, 2024 are as follows (Korean won):

Descriptions	December 31, 2023		December 31, 2024	
	The binomial model		The binomial model	
Option Pricing Model				
Initial grant amount(Korean won in millions)	₩	4,775	₩	1,775
Weighted average stock price at the grant date	₩	171,980	₩	189,533
Beta		1.19		1.35
Expected price(Closing price on the preceding day)	₩	168,500	₩	158,100
Risk-free interest rate		3.49%		3.44%
Expected option life		2.3years		2.8years
Expected volatility		27.48%		37.66%
Dividend yield		2.50%		2.60%
Fair value per share	₩	126,799	₩	120,636

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

(2) Subsidiaries of the Group established a stock option program that entitles key management personnel an option to purchase ordinary shares. Share-based compensation expenses recognized under the share option program as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024			
	Current	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 64,958	₩ 112,064	₩ 85,555	₩ 197,619
Group of SK Telecom Co., Ltd.	6,696	174,402	-	174,402
Group of SK Square Co., Ltd.	2,982	68,431	6,593	75,024
Group of SK Networks Co., Ltd.	108	5,619	558	6,177
Group of SKC Co., Ltd.	5,349	10,709	-	10,709
Group of SK Ecoplant Co., Ltd.	(156)	7,550	899	8,449
Others	13,344	29,825	6,347	36,172
	₩ 93,281	₩ 408,600	₩ 99,952	₩ 508,552

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29. Shared-based payment (cont'd)

	December 31, 2023			
	Current	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 50,494	₩ 60,274	₩ 72,913	₩ 133,187
Group of SK Telecom Co., Ltd.	11,220	167,705	1,816	169,521
Group of SK Square Co., Ltd.	31,638	64,739	21,239	85,978
Group of SK Networks Co., Ltd.	3,853	6,760	1,447	8,207
Group of SKC Co., Ltd.	543	5,360	122	5,482
Group of SK Ecoplant Co., Ltd.	3,828	7,706	3,485	11,191
Others	11,164	35,677	15,840	51,517
	₩ 112,740	₩ 348,221	₩ 116,862	₩ 465,083

30. Selling and administrative expenses

Details of selling and administrative expenses for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Salaries	₩ 2,312,060	₩ 2,167,241
Provision for pension benefits	211,066	119,080
Employee welfare benefits	551,337	482,446
Travel	113,117	137,572
Bad debt expenses	101,545	19,794
Communications	16,576	12,909
Utilities	71,479	57,440
Taxes and dues	163,184	143,033
Supplies	51,507	59,658
Rents	217,248	210,710
Depreciation	632,028	558,952
Amortization	451,275	432,632
Repairs	43,626	33,081
Insurance	83,779	79,048
Advertising	533,773	650,921
Research and development	808,430	650,719
Education and examination	89,698	90,192
Outsourcing technology services	1,402,380	1,253,782
Transport	337,935	327,347
Others	436,552	565,396
	₩ 8,628,595	₩ 8,051,953

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31. Finance income and costs

(1) Details of finance income for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Finance income:		
Interest income	₩ 949,089	₩ 869,163
Gain on foreign currency transactions	2,247,427	2,693,810
Gain on foreign currency translation	919,641	657,070
Gain on transactions of derivatives	1,553,762	1,956,239
Gain on valuation of derivatives	702,800	468,978
Others	440,345	440,388
	<u>₩ 6,813,064</u>	<u>₩ 7,085,648</u>

(2) Details of finance costs for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Finance expenses:		
Interest expense	₩ 3,693,250	₩ 3,087,981
Loss on foreign currency transactions	2,339,244	3,046,098
Loss on foreign currency translation	1,286,536	461,526
Loss on transactions of derivatives	1,834,554	1,909,764
Loss on valuation of derivatives	643,329	486,797
Others	380,600	460,518
	<u>₩ 10,177,513</u>	<u>₩ 9,452,684</u>

32. Other non-operating income and expenses

(1) Details of other non-operating income for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Other non-operating income:		
Dividend income	₩ 58,064	₩ 80,007
Rental income	64	1,205
Gain on disposal of trade receivables	2,762	-
Gain on disposal of investments in associates and joint ventures	860,000	62,233
Gain on disposal of property, plant and equipment	245,089	166,795
Gain on disposal of intangible assets	36,361	21,047
Others	391,851	853,411
	<u>₩ 1,594,191</u>	<u>₩ 1,184,698</u>

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

(2) Details of other non-operating expenses for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Other non-operating expenses:		
Loss on disposal of trade receivables	₩ 78,378	₩ 129,919
Loss on impairment of investments in associates and joint ventures	426,405	317,765
Loss on disposal of property, plant and equipment	191,790	38,281
Loss on impairment of property, plant and equipment	204,880	101,560
Loss on disposal of intangible assets	37,082	3,058
Loss on impairment of intangible assets	1,524,023	556,063
Donations	66,444	91,877
Others	771,503	827,259
	₩ 3,300,505	₩ 2,065,782

33. Expense classified based on nature of expense

Details of classification based on nature of expenses for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Employee benefits	₩ 10,105,565	₩ 9,788,311
Depreciation and amortization	8,383,888	8,906,982
Network connection	696,515	706,716
Transport	767,284	913,971
Advertising	533,773	649,715
Lease payments and rents	512,736	540,506
Others	23,236,925	20,807,608
Use of raw materials and purchase of finished goods and merchandise	77,621,158	83,528,199
Changes in finished goods and semi-finished goods	769,663	(1,180,484)
Total (*1)	₩ 122,627,507	₩ 124,661,524

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

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34. Income taxes

(1) Components of income tax expense for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Current income tax	₩ 1,553,979	₩ 1,588,300
Adjustments in respect of current income tax of prior year	(13,314)	(45,692)
Origination and reversal of temporary difference	(745,948)	(949,280)
Income tax recognized directly to equity	(67,298)	(31,646)
Others	75,925	162,132
Income tax expense	₩ 803,344	₩ 723,814
Income tax expense from continuing operations	₩ 747,752	₩ 570,636
Income tax expense from discontinued operations	55,592	153,178

(2) Details of income tax recognized directly to equity for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Remeasurement gain (loss) on defined benefit plan	₩ 43,797	₩ 59,722
Net gain on valuation of financial instruments measured at FVOCI	72,936	19,036
Equity adjustments of investments in associates and joint ventures	(147,266)	(55,431)
Net gain(loss) on valuation of derivative instruments	7,308	17,803
Others	(44,073)	(72,776)
	₩ (67,298)	₩ (31,646)

(3) Reconciliations of profit before income tax expense at the Korea statutory tax rate to income tax expense at the effective tax rate of the Group for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Profit before income tax expense	₩ 1,332,156	₩ 317,426
Profit before income tax expense from continuing operations	1,096,557	(853,618)
Profit before income tax expense from discontinued operations	235,599	1,171,044
Applied tax rates (*1)	26.40%	26.40%
Income tax at statutory tax rate	351,690	83,801
Non-taxable income	(320,196)	(394,237)
Non-deductible expenses	202,686	316,122
Tax credit	5,211	(9,456)
Unrecognized deferred taxes	170,564	155,995
Others (*2)	393,389	571,589
Income tax expense	₩ 803,344	₩ 723,814
Income tax expense from continuing operations	₩ 747,752	₩ 570,636
Income tax expense from discontinued operations	55,592	153,178
Effective tax rate	60.30%	228.03%

(*1) The Group is subject to corporate income tax of Republic of Korea where the Parent Company is located. For the year ended December 31, 2024, the difference between the Korean tax burdens and the foreign tax burdens on foreign subsidiaries is included in others.

(*2) The effect of tax rate change is included.

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34. Income taxes (cont'd)

(4) Significant changes in deferred tax assets (liabilities) for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the year ended December 31, 2024				
	Beginning balance	Recognized directly in profit or loss	Recognized directly in equity	Others	Ending balance
Temporary differences	₩ (3,691,837)	₩ 507,546	₩ (67,298)	₩ (49,385)	₩ (3,300,974)
Tax loss carryforward	933,683	204,904	-	14,311	1,152,898
Tax credits carryforward	362,799	100,796	-	21,745	485,340
	₩ (2,395,355)	₩ 813,246	₩ (67,298)	₩ (13,329)	₩ (1,662,736)
Deferred tax assets (*1)	₩ 1,749,089				₩ 2,418,044
Deferred tax liabilities (*1)	(4,144,444)				(4,080,780)

	For the year ended December 31, 2023					
	Beginning balance	Business combination	Recognized directly in profit or loss	Recognized directly in equity	Others	Ending balance
Temporary differences	₩ (4,073,006)	₩ (173,402)	₩ 484,628	₩ (31,646)	₩ 101,589	₩ (3,691,837)
Tax loss carryforward	611,692	(10,797)	333,859	-	(1,071)	933,683
Tax credits carryforward	192,566	-	162,439	-	7,794	362,799
	₩ (3,268,748)	₩ (184,199)	₩ 980,926	₩ (31,646)	₩ 108,312	₩ (2,395,355)
Deferred tax assets (*1)	₩ 1,166,846					₩ 1,749,089
Deferred tax liabilities (*1)	(4,435,594)					(4,144,444)

(*1) The Group offsets tax assets and liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes are levied by the same tax authority.

(5) Temporary differences to be deducted, tax loss carryforward and tax credits carryforward that are not recognized as deferred tax assets as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Temporary differences to be deducted	₩ 5,589,456	₩ 6,044,813
Tax loss carryforward	2,287,101	1,995,597
Tax credits carryforward	245,264	13,922
	₩ 8,121,821	₩ 8,054,332

(6) The total amount of temporary differences related to subsidiaries, investment in branches and associates, joint ventures that are not recognized as deferred tax liabilities for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024	December 31, 2023
Subsidiaries, investment in associates and joint ventures	₩ 16,612,110	₩ 14,692,968

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34. Income taxes (cont'd)

(7) The expected expiration schedule of tax loss carryforward and tax credits carryforward for which deferred tax assets are not recognized as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended			
	December 31, 2024		December 31, 2023	
	Tax loss carryforward	Tax credits carryforward	Tax loss carryforward	Tax credits carryforward
1 year or less	₩ 71,456	₩ 3,008	₩ 44,938	₩ -
1 year ~ 2 years	221,297	4,896	34,154	-
2 years ~ 3 years	66,438	13,360	142,388	29
More than 3 years	1,927,910	224,000	1,774,117	13,893
	₩ 2,287,101	₩ 245,264	₩ 1,995,597	₩ 13,922

(8) Global minimum tax

In accordance with the global minimum tax law that comes into effect from 2024, the consolidated entity is required to pay additional tax on the difference between the effective tax rate and the minimum tax rate of 15% for each constituent country. The Company reviewed the impact of introducing the global minimum tax law for the competent countries to which the constituent companies within the consolidated entity belong. As a result of the review, it was determined that no additional tax would be incurred in accordance with the global minimum tax law, and accordingly, there is no amount recognized as corporate tax expense for the year ended December 31, 2024. On the other hand, the Company does not disclose information on deferred tax assets and liabilities related to the global minimum tax without recognizing them as an exception to the recognition and disclosure of deferred tax assets and liabilities related to the global minimum tax.

35. Earnings (losses) per share

(1) Basic earnings (losses) per share

1) Basic earnings (losses) per share calculation details attribute to ordinary share owners of the parent for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of ordinary share outstanding):

	For the years ended	
	December 31, 2024	December 31, 2023
Loss for the year from continuing operations attributable to owners of the parent	₩ (1,392,667)	₩ (1,144,586)
Gain from discontinued operations attributable to owners of the parent	99,983	367,788
Less: preference share dividends (*1)	(13,237)	(7,867)
Loss for the year from continuing operations attributable to ordinary share owners of the parent	₩ (1,378,379)	₩ (1,132,966)
Gain from discontinued operations attributable to ordinary share owners of the parent	98,932	364,035
Weighted-average number of ordinary share outstanding (in shares) (*2)	54,548,178	55,157,133
Basic loss per share from continuing operations attributable to ordinary share owners of the parent(in Korean won)	₩ (25,269)	₩ (20,541)
Basic earnings per share from discontinued operations attributable to ordinary share owners of the parent(in Korean won)	1,814	6,600

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

(*2) The weighted average number of shares in consideration of the number of shares issued due to changes in the number of treasury stocks for the years ended December 31, 2024 and 2023.

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35. Earnings (losses) per share (cont'd)

2) The basis of calculating weighted-average number of ordinary shares for the years ended December 31, 2024 and 2023 is as follows (In shares):

	For the years ended	
	December 31, 2024	December 31, 2023
Weighted-average number of issued shares outstanding	72,808,702	73,443,244
Weighted-average number of treasury shares	(18,260,524)	(18,286,111)
Weighted-average number of ordinary shares outstanding	54,548,178	55,157,133

3) Basic earnings (losses) per share calculation details attribute to preferred share owners of the parent for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of preferred share outstanding):

	For the years ended	
	December 31, 2024	December 31, 2023
Preference share dividends and residual loss	₩ (13,237)	₩ (7,867)
Loss for the year from continuing operations attributable to preferred share owners of the parent	(14,288)	(11,620)
Gain from discontinued operations attributable to preferred share owners of the parent	1,051	3,753
Weighted-average number of preferred share outstanding	564,348	564,348
Basic loss per share from continuing operations attributable to preferred share owners of the parent(in Korean won) (*1)	₩ (25,319)	₩ (20,591)
Basic earnings per share from discontinued operations attributable to preferred share owners of the parent(in Korean won) (*1)	1,864	6,650

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

Preference share has no potential equity instruments, so basic earnings (losses) per share and diluted earnings (losses) per share are the same.

(2) Diluted earnings (losses) per share

1) Diluted earnings (losses) per share calculation details attribute to ordinary share owners of the parent for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of ordinary share outstanding):

	For the years ended	
	December 31, 2024	December 31, 2023
Loss for the year from continuing operations attributable to owners of the parent	₩ (1,392,667)	₩ (1,144,586)
Gain from discontinued operations attributable to owners of the parent	99,983	367,788
Less: preference share dividends (*1)	(13,237)	(7,867)
Less: numerator adjustment of cash-settled stock option	4,718	1,643
Loss for the year from continuing operations attributable to ordinary share owners of the parent	₩ (1,383,097)	₩ (1,134,609)
Gain from discontinued operations attributable to ordinary share owners of the parent	98,932	364,035
Adjusted weighted-average number of ordinary share outstanding	54,583,022	55,207,834
Diluted loss per share from continuing operations attributable to ordinary share owners of the parent (in Korean won)	₩ (25,339)	₩ (20,552)
Diluted earnings per share from discontinued operations attributable to ordinary share owners of the parent (in Korean won)	1,814	6,594

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

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35. Earnings (losses) per share (cont'd)

2) The basis of calculating weighted-average number of diluted ordinary shares for the years ended December 31, 2024 and 2023 is as follows (In shares):

	For the years ended	
	December 31, 2024	December 31, 2023
Weighted-average number of issued shares outstanding	54,548,178	55,157,133
Adjustment: stock option	34,844	50,701
Weighted-average number of diluted ordinary shares outstanding	54,583,022	55,207,834

Diluted earnings(losses) per ordinary share is calculated by applying the weighted average number of circulating shares adjusted on the assumption that all diluted potential ordinary shares have been converted to ordinary share.

36. Transactions with related parties

Balances on transactions arising from intercompany transactions within the Group were eliminated in preparing the consolidated financial statements as of and for the years ended December 31, 2024 and 2023.

(1) Related parties of the Group as of December 31, 2024 are as follows:

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

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

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36. Transactions with related parties (cont'd)

(2) Details of significant transactions with the related parties for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	Company name	December 31, 2024		
		Sales and others	Expenses and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 16,707	₩ 62,078	
	SABIC SK Nexlene Company Pte. Ltd.	5,471	187,403	
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	1,151	493,321	
	ChangZhou BTR New Material Technology Co., Ltd.	69,023	291,235	
	Ignis Therapeutics	35,843	-	
	Eurasia Tunnel	8,022	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	4,600	-	
	Yongin Ilban Industry Danji Co., Ltd.	547,888	7,223	
	Bloom SK Fuel Cell, LLC	3,016	53,960	
	Godeok Clean Energy Co., Ltd.	40,393	7,418	
	Chuncheon Green Energy Inc.	3,836	-	
	Boryeong LNG Terminal Co., Ltd.	28,052	137,205	
	Darwin LNG Pty Ltd.	179	-	
	F&U Credit Information Co., Ltd. (*1)	3,634	72,895	
	SK Hynix Inc.	3,500,931	41,586	
	Best Oil Company Ltd.	1,106,077	2,649	
	Asia Bitumen Trading Pte. Ltd.	20,232	8,680	
	Huizhou EVE United Energy Co., Ltd.	64,969	424,533	
	Sotra Link Holdco AS	128,532	-	
	Daehan Kanggun BCN Co. Ltd.	28,671	-	
	Haman Green Energy Co., Ltd.	140,315	1	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	142,246	233	
	Goseong Green Power Co., Ltd.	2,361	-	
	Songsan Green Energy Co.,Ltd.	135,241	-	
	DCK One Co., Ltd.	276,492	-	
	BLOOMENERGY CORPORATION	270	366,482	
	SMCore. Inc.	342	75,969	
	HCM001, LLC	3,044	-	
	Others	620,704	401,363	
	Other related Parties	Peru LNG Company LLC (*2)	55,875	-
		Baic Electronics SK (Jiangsu) Technology Co., Ltd.	16,746	341,034
		XINGLU (HONGKONG) LIMITED	25,271	-
		Happynarae Co., Ltd.	30,406	431,823
SK hynix Semiconductor (China) Ltd.		313,021	1,278	
SK hynix Semiconductor Hong Kong Ltd.		4	643,886	
Korea Nexlene Company		162,855	116	
Ulsan Aromatics Co., Ltd.		148,765	89,492	
SK Gas Co., Ltd.		466,654	210,578	
SK Chemicals Co., Ltd.		51,732	5,095	
SK Shieldus Co., Ltd.		105,391	480,435	
UNA Engineering Co., Ltd. (Formerly, Ubins Co., Ltd.)		1,094	213,236	
Ulsan GPS Corporation		179,319	-	
SK Bioscience Co., Ltd.		107,264	547	
SK Multi utility Co., Ltd.		167,027	18,850	
SK Eternix Co., Ltd.		3,456	26	
Others		306,140	229,025	
	₩ 9,079,262	₩ 5,299,655		

(*1) It was classified as assets held for sale during the current period.

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

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36. Transactions with related parties (cont'd)

	Company name	For the years ended December 31, 2023		
		Sales and others	Expenses and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 16,782	₩ 69,841	
	SABIC SK Nexlene Company Pte. Ltd.	30,256	322,734	
	Best Oil Company Limited	1,184,870	3	
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	1,189	721,253	
	ChangZhou BTR New Material Technology Co., Ltd.	636,111	952,755	
	Yemen LNG Company Ltd.	-	2	
	Huizhou EVE United Energy Co., Ltd.	95,532	1,295,661	
	Peru LNG Company, LLC	267,462	-	
	Asia Bitumen Trading Pte. Ltd.	15,685	16,856	
	Ignis Therapeutics	14,150	-	
	F&U Credit Information Co., Ltd.	4,023	50,918	
	SK Hynix Inc.	2,478,477	1,177,918	
	SKC Evonik Peroxide Korea Co., Ltd.	1,167	22,740	
	Boryeong LNG Terminal Co., Ltd.	15,578	123,476	
	Darwin LNG Pty Ltd.	60,905	-	
	Eurasia Tunnel	3,900	-	
	Xe-Pian Xe-Namnoy Power Company	4,703	-	
	Bloom SK Fuel Cell, LLC	1,364	49,519	
	Mastern No.93 Logispoin Gimpo PFV Co., Ltd.	130,419	-	
	Yongin Ilban Industry Danji Co., Ltd.	299,038	-	
	Godeok Clean Energy Co., Ltd.	108,234	1,619	
	Chuncheon Green Energy Inc.	40,677	-	
	Goseong Green Power Co., Ltd.	19,369	-	
	Songsan Green Energy Co.,Ltd.	732	-	
	DCK One Co., Ltd.	126,092	83	
	SMCore. Inc.	708	116,414	
	Others	401,623	158,499	
	Other related parties	SK D&D Co., Ltd.	6,652	1,246
		Ulsan Aromatics Co., Ltd.	270,191	103,690
		SK Chemicals Co., Ltd.	44,065	12,299
		SK Gas Co., Ltd.	340,645	293,279
		SK Shieldus Co., Ltd.	43,961	157,729
		UNA Engineering Co., Ltd.	2,049	104,099
Korea Nexlene Company		212,122	95	
Baic Electronics SK(Jiangsu) Technology Co., Ltd.		34,168	819,147	
Xinglu (HongKong) Ltd.		164,840	-	
SK Hynix Semiconductor (China) Ltd.		220,560	1,095	
SK Hynix semiconductor (Chongqing) Ltd.		25,549	-	
SK Hynix Semiconductor HK Ltd.		4	747,715	
Happynarae Co., Ltd.	21,240	423,513		
Others	737,855	449,790		
	₩	8,082,947	₩ 8,193,988	

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36. Transactions with related parties (cont'd)

(3) Details of significant outstanding balances of receivables and payables with the related parties as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	Company name	December 31, 2024	
		Receivables and others (*1)	Payables and others
Investments	Daehan Oil Pipeline Corporation	₩ 101	₩ 2,550
in associates	SABIC SK Nexlene Company Pte. Ltd.	6,287	17,306
and joint	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	-	-
ventures	Changzhou BTR New Material Technology Co.,Ltd.	18,551	-
	Yemen LNG Company Ltd.	105,566	-
	Ignis Therapeutics	-	7,617
	Eurasia Tunnel	36,525	-
	SK E&C JURONG Investment Singapore Pte., Ltd.	74,375	-
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	104,469	-
	Yongin Ilban Industry Danji Co., Ltd.	1,925	217,601
	Bloom SK Fuel Cell, LLC	6,063	-
	Godeok Clean Energy Co., Ltd.	11,392	-
	Chuncheon Green Energy Inc.	1,254	-
	Boryeong LNG Terminal Co., Ltd.	6,025	-
	F&U Credit Information Co., Ltd. (*2)	64	5,057
	SK Hynix Inc.	652,928	299,523
	Best Oil Company Ltd.	94,515	7,493
	Asia Bitumen Trading Pte. Ltd.	5,046	-
	Huizhou EVE United Energy Co., Ltd.	54,540	-
	Daehan Kanggun BCN Co. Ltd.	28,889	-
	Haman Green Energy Co., Ltd.	-	4,962
	DCK One Co., Ltd.	99	-
	BLOOMENERGY CORPORATION	600	-
	SK REIT CO.,LTD. (*3)	28,384	273,437
	Clean Energy REIT Co., Ltd (*3)	26,233	196,768
	SMCore. Inc.	292	2,574
	HCM001, LLC	76,582	-
	Others	771,943	64,368
Other related Parties	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	9,797	-
	Happynarae Co., Ltd.	5,169	15,472
	SK hynix Semiconductor (China) Ltd.	63,696	214
	SK hynix Semiconductor Hong Kong Ltd.	-	113,691
	Korea Nexlene Company	26,141	331
	Ulsan Aromatics Co., Ltd.	5,427	8,187
	SK Gas Co., Ltd.	4,273	50,111
	SK Chemicals Co., Ltd.	8,419	267
	SK Shieldus Co., Ltd.	50,169	37,573
	UNA Engineering Co., Ltd. (Formerly, Ubins Co., Ltd.)	188	6,713
	Ulsan GPS Corporation	3,029	-
	SK Bioscience Co., Ltd.	11,384	480
	SK Multi utility Co., Ltd.	416	3,629
	Others	54,396	51,630
		₩ 2,355,152	₩ 1,387,554

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

(*2) It was classified as assets held for sale during the current period.

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

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36. Transactions with related parties (cont'd)

		December 31, 2023	
Company name		Receivables and others (*1)	Payables and others
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 99	₩ 2,633
	SABIC SK Nexlene Company Pte. Ltd.	5,584	59,549
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	-	5,015
	Best Oil Company Limited	126,494	7,321
	ChangZhou BTR New Material Technology Co., Ltd.	42,243	141,717
	Yemen LNG Company Ltd.	85,924	-
	Peru LNG Company LLC	7,841	-
	Huizhou EVE United Energy Co., Ltd.	40,350	177,551
	Asia Bitumen Trading Pte. Ltd.	2,755	-
	Ignis Therapeutics	-	14,466
	F&U Credit Information Co., Ltd.	346	4,417
	Wave City Development Co., Ltd.	2,355	-
	SK Hynix Inc.	390,104	337,780
	SKC Evonik Peroxide Korea Co., Ltd.	2	7,003
	Boryeong LNG Terminal Co., Ltd	7,887	-
	Darwin LNG Pty Ltd.	78,305	-
	Eurasia Tunnel	32,274	-
	Xe-Pian Xe-Namnoy Power Company	100,501	-
	Yongin Ilban Industry Danji Co., Ltd.	1,155	82,808
	Bloom SK Fuel Cell, LLC	6,211	25,684
	Goseong Green Power Co., Ltd.	62,026	1,458
	SK E&C JURONG Investment Singapore Pte. Ltd	74,375	-
	Godeok Clean Energy Co., Ltd.	11,392	799
	Chuncheon Green Energy Inc.	21,442	-
	Songsan Green Energy Co.,Ltd.	-	34,949
	DCK One Co., Ltd.	99	19,071
	SMCore. Inc.	178	3,285
Others	123,342	303,782	
Other related Parties	SK D&D Co., Ltd.	635	340
	Ulsan Aromatics Co., Ltd.	5,385	9,532
	SK Chemicals Co., Ltd.	7,234	1,422
	SK Gas Co., Ltd.	28,147	142,550
	SK Shieldus Co., Ltd.	39,774	36,287
	UNA Engineering Co., Ltd.	363	10,811
	Korea Nexlene Company	24,365	498
	Baic Electronics SK(Jiangsu) Technology Co., Ltd.	9,053	99,148
	Xinglu (HongKong) Ltd.	11,833	-
	SK Hynix Semiconductor (China) Ltd.	33,694	241
	SK Hynix semiconductor (Chongqing) Ltd.	4,754	-
	SK Hynix Semiconductor HK Ltd.	-	139,326
	Happynarae Co., Ltd.	2,650	30,721
	Others	37,696	28,206
		₩ 1,428,867	₩ 1,728,370

(*1) The Group recognized bad debt expense and reversal of bad debt each amounting to ₩451 million and ₩(-)73,767 million for the year ended December 31, 2023 (for the year ended December 31, 2022: bad debt expense of ₩7,202 million, write-off and others of ₩15,880 million). The Group recognized the allowance for doubtful accounts amounting to ₩261,317 million and ₩334,633 million as of December 31, 2023 and 2022, respectively.

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36. Transactions with related parties (cont'd)

(4) Details of significant financial transactions with related-parties for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions and foreign currencies in thousands):

Company	Currency	December 31, 2024			December 31, 2023		
		Loans	Collection	Others (*1)	Loans	Collection	Others (*2)
Yemen LNG Company Ltd.	KRW	7,271	-	12,371	12,873	-	-
Korea Consortium Kazakh B.V. (*3)	KRW	-	-	-	31,762	-	(143,232)
Zhejiang SK Baoying Group Co., Ltd.	KRW	-	-	-	-	(5,443)	-
Bloom SK Fuel Cell, LLC	KRW	-	-	-	6,000	-	-
Gray Whale Offshore Wind Power No.1 Co., Ltd.	KRW	-	-	-	2,033	-	-
Gray Whale Offshore Wind Power No.2 Co., Ltd.	KRW	-	-	-	1,932	-	-
Gray Whale Offshore Wind Power No.3 Co., Ltd.	KRW	-	-	-	6,846	-	-
Komundo Offshore Wind Power Co., Ltd.	KRW	-	-	-	1,232	-	-
Maenggoldo Offshore Wind Power Co., Ltd.	KRW	-	-	-	1,872	-	-
KCMT Co., Ltd.	KRW	3,825	-	-	15,175	-	-
Jincheon Megapolis Industrial Complex Co., Ltd.	KRW	1,200	-	-	-	-	-
Haman Green Energy Co., Ltd.	KRW	-	-	-	2,921	-	-
Samam Solar Co., Ltd.	KRW	940	(57)	-	-	-	-
Darwin LNG Pty Ltd.	KRW	23,180	(84,125)	-	61,702	-	-
SK Telecom CS T1 Co., Ltd.	KRW	2,921	-	-	-	-	-
SK Growth Opportunities Corporation	USD	1,340	-	-	-	-	-

(*1) The amount includes increases due to reasons other than loans, such as gain on foreign currency translation.

(*2) The amount reduced due to reasons other than the collection of funds, such as write-off, is included.

(*3) Bankruptcy proceedings were terminated within the year ended December 31, 2023 and were excluded from related parties.

(5) There were additional capital contribution transactions for investments in associates and joint ventures for the years ended December 31, 2024 and 2023 (See Note 10, 11).

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36. Transactions with related parties (cont'd)

(6) Guarantees provided among the Group entities as of December 31, 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantor	Guarantee	Currency	Amount	Description of guarantee
SK Innovation Co., Ltd. (*1)	SK On Co., Ltd.	KRW	2,579,600	Guarantee of debt
	SK Earthon Co., Ltd.	USD	33,000	Guarantee of mandatory work load and others
SK On Co., Ltd.	SK Battery Manufacturing Kft.	HUF	34,194,000	Guarantee of local factory construction
		USD	500,000	Guarantee of debt
	SK Battery America, Inc.	USD	700,000	Guarantee of debt
	BlueOval SK, LLC	USD	4,879,020	Guarantee of debt
		USD	2,641,000	Performance guarantees for invest
		USD	2,545,000	Guarantee of loan related
SK On Co., Ltd.	SK On Hungary Kft.	USD	5,918,700	Guarantee of loan related
	SK Battery America, Inc.	USD	1,050,000	Guarantee of loan related
	SK Battery Manufacturing Kft.	USD	4,300,000	Guarantee of loan related
	SK On Yancheng Co., Ltd.	CNY	2,200,000	Guarantee of loan related
SK Innovation Co., Ltd. and SK On Co., Ltd.	SK On Jiangsu Co., Ltd.	CNY	9,883,040	Guarantee of loan related
	BlueOval SK, LLC	USD	9,809,730	Guarantee of loan related and others
SK ie technology Co., Ltd.	SK On Hungary Kft.	HUF		Guarantee of local factory construction
	SK Hi-Tech Battery Materials(Jiang Su) Co., Ltd	CNY	480,000	Guarantee of debt
SK Geo Centric Co., Ltd.	SK hi-tech battery materials Poland sp. z o.o.	USD	719,200	Guarantee of debt
	SK Energy Europe, Ltd.	USD	135,000	Guarantee of PCG
	SK GC Americas, Inc.	USD	140,000	Guarantee of loan related
SK E&S Co., Ltd. (*1)	SK Functional Polymer, S.A.S.	EUR	161,000	Guarantee of loan related
	E&S CITYGAS CO., LTD.	KRW	2,400,000	Performance guarantees for redemption of redeemable convertible preferred stock
SK E&S Co., Ltd. (*1)	E&S CITYGAS BUSAN CO., LTD.	KRW	735,000	Performance guarantees for redemption of redeemable convertible preferred stock
	LNG Americas, Inc.	USD	967,586	Guarantee for derivative hedge and Others
	Paju Energy Service Co., Ltd.	KRW	350,000	Guarantee of debt
	Narae Energy Service Co., Ltd.	KRW	50,000	Guarantee of debt
	Yeoju Energy Service Co., Ltd.	KRW	200,000	Guarantee of debt
	Prism Energy International Pte. Ltd.	USD	480,000	Guarantee for derivative hedge and Others
	IGE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.	USD	329,737	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.			Guarantee for BU gas field recovery cost
				Guarantee of LC
PRISM Energy International Americas, Inc. (Formerly, SK E&S Americas, Inc.)	Grid Solution LLC	USD	60,000	Guarantee of LC
	LNG Americas, Inc.	USD	106,842	Performance guarantee for contract and others
Prism Energy International China Limited	PassKey, Inc.	USD	52,313	Performance guarantee for contract
	Prism Energy International Zhoushan Limited	CNY	14,780	Guarantee of Terminal fee
SK Ecoplant Co., Ltd	Silvertown Investco Limited	GBP	10,671	Performance guarantees for construction and others
	SK Ecoplant Americas Corporation(Formerly, BETEK)	USD	112,000	Guarantee of debt and others
	RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd)	KRW	13,843	Fund supplement agreement for loan Agreement
	Renewland Singyeongju Co., Ltd. (Formerly, Samwon ENT Co., Ltd.)	KRW	41,000	Cash deficiency support
	ECO FRONTIER (SINGAPORE) PTE. LTD.	USD	420,000	Guarantee of payment and others
	SK Ecoengineering Co., Ltd.	KRW	255,654	Joint liability joint debt
	SEONGJU TECH CO.,LTD.	KRW	15,000	Conditional debt acquisition
	HOLRIDEU 1ST CO.,LTD.	KRW	95,912	Cash deficiency support
	KARON 1ST CO.,LTD.	KRW	90,976	Cash deficiency support
	MISAN 1ST CO.,LTD.	KRW	103,078	Cash deficiency support and Joint guarantee
	DS 1ST CO.,LTD.	KRW	96,318	Cash deficiency support and Joint guarantee
	WALEELEE 1ST CO.,LTD.	KRW	136,134	Cash deficiency support and Joint guarantee
	ELEECHIKAELEDEURAEGON 2ND CO.,LTD.	KRW	75,474	Joint guarantee
	BIWALEE 2ND CO.,LTD.	KRW	30,000	Cash deficiency support

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36. Transactions with related parties (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee
RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd)	Renew Liquid Honam Co., Ltd.	KRW	4,800	Guarantee of debt
	Gyeongsan Clean Water Way Co., Ltd.	KRW	8,200	Guarantee of loan agreement
SK Networks Co., Ltd.	SK Networks (Xiamen) Steel Processing Center Co., Ltd.	CNY	68,000	Standing surety for investee
	SK Networks Hong Kong Ltd.	USD	76,600	Standing surety for investee
SKC Co., Ltd.	Absolics Inc.	USD	162,000	Guarantee of payment
	SK Nexilis Co., Ltd.	KRW	185,000	Cash deficiency support
SK Specialty Co., Ltd.	SK specialty Jiangsu Co., Ltd.	CNY	118,800	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 Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	550,367	Guarantee of debt
	SK Siltron USA, Inc.	USD	343,000	Guarantee of debt
SK Pharmteco Inc.	Center For Breakthrough Medicines Holdings, LLC	USD	20,000	Performance guarantee for contract
	Yposkesi, SAS	EUR	20,000	Guarantee of payment
SK Biotek Co., Ltd.	SK Biotek Ireland Limited	USD	20,000	Guarantee for credit limit
		EUR	10,000	Guarantee for EPA

(*1) During the current period, SK Innovation Co., Ltd. merged with SK E&S Co., Ltd. through absorption.

36. Transactions with related parties (cont'd)

(7) Compensation for key management personnel of the Group.

Key management personnel consists of registered executives who are responsible for the planning, operation and control of the Group's business activities. Details of compensation for them for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Salaries	₩ 7,381	₩ 12,576
Provision for pension benefits	2,645	4,205
Share-based payment expenses	(793)	2,350
	₩ 9,233	₩ 19,131

37. Discontinued operations

(1) Details of discontinued operations

The parent company decided to sell a portion of its shares in SK Specialty Co., Ltd. Consequently, these shares have been classified as assets held for sale, and classified related profits and losses as profit or loss of discontinued operations.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations with the sale of its resource business and China business to clean up non-core businesses, strengthen its financial soundness and secure investment funds, before the prior period. For resource business, as the sale of major assets and liabilities was completed for the year ended December 31, 2024 and due to changes in the the sale plan the remaining assets, the related non-current assets and liabilities held for sale were reclassified to their original accounts.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations along with the replacement of the planned sale of SK Magic's home appliance division during the prior period, and the related profits and losses were classified as profit or loss of discontinued operations. Among the assets and liabilities of the business, assets and liabilities that are expected to be sold were classified as non-current assets and liabilities held for sale and evaluated in consideration of the recoverable amount.

SK Networks Co., Ltd., a subsidiary of the Group, completed the sale of its rental car division for the year ended December 31, 2024, and the related profits and losses were classified as profit or loss of discontinued operations.

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

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

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37. Discontinued operations (cont'd)

SKC Co., Ltd., a subsidiary of the Group, liquidated Allnewone Co., Ltd. on December 9, 2024, in accordance with the decision made at the extraordinary general meeting of shareholders on September 10, 2024. Accordingly, the related profits and losses were classified as profit or loss of discontinued operations.

SK Square Co., Ltd., a subsidiary of the Group, sold its security business due to a stock trading contract for its stake in Korea Security Holdings Co., Ltd. held for the year ended December 31, 2023, and the related profits and losses were classified as profit or loss of discontinued operations.

(2) Gain and loss from the discontinued operation for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the year ended December 31, 2024			
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.	Total
Revenue	₩ 1,166,917	₩ 217,109	₩ 708,409	₩ 2,092,435
Cost of sales	890,400	186,970	497,154	1,574,524
Selling and administrative expenses	191,330	49,435	92,206	332,971
Finance income	6,107	4,023	13,192	23,322
Finance costs	86,212	8,587	37,978	132,777
Other non-operating income	82,454	3,243	9,040	94,737
Other non-operating expenses	81,269	2,178	5,042	88,489
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	31,497	179,760	(57,393)	153,864
Income tax expense	12,733	33,801	9,058	55,592
Profit for the year from discontinued operations	₩ 25,031	₩ 123,164	₩ 31,810	₩ 180,005
Attributable to:				
Owners of the Parent Company ₩	12,533	₩ 55,640	₩ 31,810	₩ 99,983
Non-controlling interests	12,498	67,524	-	80,022

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37. Discontinued operations (cont'd)

	For the year ended December 31, 2023					Total
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Security business in SK Square Co., Ltd.	SK Specialty Co., Ltd. Held by SK Inc.		
Revenue	₩ 1,917,192	₩ 802,706	₩ 977,484	₩ 681,745	₩ 4,379,127	
Cost of sales	1,479,469	669,986	866,728	467,889	3,484,072	
Selling and administrative expenses	328,487	111,304	-	66,740	506,531	
Finance income	5,535	21,205	2,644	10,810	40,194	
Finance costs	109,727	34,605	41,091	32,669	218,092	
Other non-operating income	7,504	217	532	3,542	11,795	
Other non-operating expenses	2,618	4,022	13,707	7,666	28,013	
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	(15,370)	(48,270)	1,044,128	(6,347)	974,141	
Income tax expense	2,369	3,148	112,839	32,326	150,682	
Profit (loss) for the year from discontinued operations	₩ (7,809)	₩ (47,207)	₩ 990,423	₩ 82,460	₩ 1,017,867	
Attributable to:						
Owners of the Parent Company	₩ (3,810)	₩ (21,365)	₩ 310,503	₩ 82,460	₩ 367,788	
Non-controlling interests	(3,999)	(25,842)	679,920	-	650,079	

(3) Details of cash flows relating to discontinued operations for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the year ended December 31, 2024		
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.
Cash flows from operating activities	₩ 165,246	₩ 27,856	₩ 248,175
Cash flows from investing activities	(58,743)	749,675	(89,865)
Cash flows from financing activities	150,521	(6,136)	(166,729)
Increase (decrease) in cash and cash equivalents	₩ 257,024	₩ 771,395	₩ (8,419)

	For the year ended December 31, 2023			
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Security business in., SK Square Co., Ltd.	SK Specialty Co., Ltd. Held by SK Inc.
Cash flows from operating activities	₩ 123,069	₩ 73,050	₩ 140,649	₩ 91,159
Cash flows from investing activities	8,172	(53,684)	158,591	(146,186)
Cash flows from financing activities	(110,739)	(14,263)	(73,926)	57,499
Increase in cash and cash equivalents	₩ 20,502	₩ 5,103	₩ 225,314	₩ 2,472

38. Assets and liabilities held for sale

(1) Summary of assets and liabilities held for sale

The Parent company decided to sell the entire stake in THiRA-UTECH Co., Ltd. and Grab Holdings Limited. Accordingly, the related stakes were classified as assets held for sale, and the sales were fully completed for the year ended December 31, 2024.

The Parent company decided to sell its entire stake in ESR Cayman Limited and classified related assets and liabilities as held-for-sale and measured them at fair value. Some of the shares were sold before the year ended December 31, 2023, and the remaining shares are also being reviewed for sale.

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

The Parent company decided to sell a portion of stake in SK Specialty Co., Ltd, Inc and classified related assets and liabilities as held-for-sale and measured them at the lower of their carrying amounts and fair value less costs to sell.

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

SKC Co., Ltd., a subsidiary of the Group, decided to sell Wet Chemical, Cleaning Business in China, Fine Ceramic division and entire issued shares of SK Pucore Co., Ltd. on September 12, 2023 after approval by the board of directors. Accordingly, the related assets and liabilities were classified as held for sale. the sales were fully completed during the current period.

According to the decision of the board of directors on the prior period, SKC Co., Ltd., a subsidiary of the Group, decided to sell all of the shares in SKC (Nantong) PU SPECIALTY CO., LTD. to Daejinhap Automotive Parts Limited and classified related assets and liabilities as held for sale.

SKC Co., Ltd., a subsidiary of the Group, resolved during the current period, following a board resolution, to transfer the CMPPAD business division of SK Enpulse Co., Ltd. and the thin-film business of SK Nexilis Co., Ltd. as well as to sell Ultimus Co., Ltd.. Accordingly, the related assets and liabilities have been classified as held for sale.

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

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

SK Telecom Co., Ltd., a subsidiary of the Group, decided to sell its entire stakes in Nate Communications Co., Ltd. (formerly SK Communications Co., Ltd.) and SK M&Service Co., Ltd. Accordingly, the assets and liabilities of Nate Communications Co., Ltd. and SK M&Service Co., Ltd. were classified as held for sale.

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

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

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

(2) Details of assets and liabilities held for sale for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

		December 31, 2023	
		Assets	Liabilities
Investment securities	ESR Cayman Limited	₩ 174,725	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment	1,892	-
	Business segment		
	China business segment	72,766	20,680
	Resources business segment	18,872	7,590
	Home appliances business segment	75,941	1,531
	Semiconductor materials business segment	903,847	274,308
Associates	SOCAR, Inc.	90,436	-
	Daekyo Confident Content Korea Investment Association, and others	746	-
Other	Property, plant and equipment and others	3,598	39
		<u>₩ 1,347,102</u>	<u>₩ 304,148</u>

39. Cash flow information

(1) Details of non-cash adjustments for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Provision for pension benefits	₩ 436,312	₩ 380,932
Depreciation	6,530,626	7,231,909
Amortization	1,853,262	1,756,052
Bad debt expenses	101,545	23,902
(Reversal of)Valuation loss on inventories	(97,586)	(335,092)
Interest expenses	3,693,250	3,244,768
Loss on foreign currency translation	1,286,536	471,964
Loss on valuation of derivatives	643,329	487,115
Loss on disposal of trade receivables	78,378	130,805
Loss on impairment of investments in associates and joint ventures	426,405	317,765
Loss on disposal of property, plant and equipment	191,790	47,952
Loss on impairment of property, plant and equipment	204,880	88,778
Loss on disposal of intangible assets	37,082	3,316
Loss on impairment of intangible assets	1,524,023	555,004
Tax expense	747,752	723,814
Share of profit of equity-accounted investees, net	(3,812,030)	2,359,480
Interest income	(949,089)	(874,513)
Gain on foreign currency translation	(919,641)	(665,949)
Gain on valuation of derivatives	(702,800)	(469,929)
Dividend income	(58,064)	(80,007)
Gain on disposal of trade receivables	(2,762)	-
Gain on disposal of investments in associates and subsidiaries	(860,000)	(1,106,361)
Gain on disposal of property, plant and equipment	(245,089)	(163,708)
Gain on disposal of intangible assets	(36,361)	(21,091)
Gain on disposal of assets held for sale	(283,812)	(513,597)
Others	1,265,066	896,099
	<u>₩ 11,053,002</u>	<u>₩ 14,489,408</u>

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39. Cash flow information (cont'd)

(2) Details of working capital adjustments for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Inventories	₩ 1,465,669	₩ 880,821
Trade receivables	774,465	537,956
Other receivables	795,571	702,338
Trade payables	5,135,345	867,679
Other payables	(7,089,806)	(319,006)
Advances received	130,858	(324,217)
Retirement benefits	(661,464)	(497,064)
Plan assets	234,627	(116,620)
Others	(47,848)	(349,128)
	<u>₩ 737,417</u>	<u>₩ 1,382,759</u>

(3) Significant non-cash transactions for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2024	December 31, 2023
Increase in other payables due to acquisition of property, plant and equipment and others	₩ 864,463	₩ 754,379

(4) Details of changes in liabilities arising from financing activities for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	For the year ended December 31, 2024				
	Beginning balance	Cash flows from financing activities	Non-cash transaction		Ending balance
			New lease	Others	
Short-term borrowings	₩ 17,388,374	₩ 3,073,870	₩ -	₩ (459,648)	₩ 20,002,596
Bonds payable and long-term borrowings	61,589,519	3,805,647	-	(2,533,151)	62,862,015
Lease liabilities	5,229,078	(1,067,260)	747,620	334,248	5,243,686
Dividends payable	983	(1,815,019)	-	1,815,418	1,382
	<u>₩ 84,207,954</u>	<u>₩ 3,997,238</u>	<u>₩ 747,620</u>	<u>₩ (843,133)</u>	<u>₩ 88,109,679</u>

	For the year ended December 31, 2023				
	Beginning balance	Cash flows from financing activities	Non-cash transaction		Ending balance
			New lease	Others	
Short-term borrowings	₩ 17,457,297	₩ (1,143,705)	₩ -	₩ 1,074,782	₩ 17,388,374
Bonds payable and long-term borrowings	57,014,865	7,254,341	-	(2,679,687)	61,589,519
Lease liabilities	5,506,447	(1,265,361)	426,534	561,458	5,229,078
Dividends payable	935	(1,673,986)	-	1,674,034	983
	<u>₩ 79,979,544</u>	<u>₩ 3,171,289</u>	<u>₩ 426,534</u>	<u>₩ 630,587</u>	<u>₩ 84,207,954</u>

SK Inc. and its subsidiaries
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40. Commitments and contingencies

(1) Commitments with financial institutions as of December 31, 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Segments	Financial Institutions	Currency	Details of the Commitments	Commitments limit amount	Unused amount	
SK Inc.	KEB Hana Bank, Kookmin Bank	KRW	Overdraft	25,000	25,000	
		USD	Letter of Credit	14,000	14,000	
	KEB Hana Bank, Shinhan Bank	KRW	Bill Acceptance	370,000	70,000	
		USD	Secured loan of credit sales	30,000	30,000	
	KEB Hana Bank, Shinhan Bank	USD	Guarantee of payment	17,000	17,000	
		KRW	General loan	1,176,000	416,000	
	KEB Hana Bank and others	KRW	Limit loan	1,040,000	700,000	
		USD		50,000	-	
SK Innovation Co., Ltd.	KEB Hana Bank and others	KRW	Fulfillment of trade	445,700	428,979	
		USD		10,724,000	8,389,000	
		CNY		1,310,000	1,290,000	
		EUR		123,000	83,000	
	Shinhan Bank and others	KRW	Factoring and General loan	5,818,160	884,583	
		USD		8,460,000	2,363,000	
		CNY		8,149,000	4,401,000	
		JPY		2,500,000	2,500,000	
	Woori Bank and others	EUR		60,000	50,000	
		KRW	Fund for facility	1,592,231	232,000	
		USD		3,788,000	47,000	
		CNY		7,100,000	2,088,000	
	Shinhan Bank and others	KRW	Derivatives	617,500	164,286	
		USD		1,257,000	477,000	
	SK Ecoplant Co., Ltd.	Shinhan Bank and others	KRW	Forward exchange	24,800	24,800
			USD		877,000	877,000
Kookmin Bank and others		EUR		25,000	25,000	
		KRW	Overdraft	50,000	50,000	
KEB Hana Bank and others		KRW	Limit loan	1,361,595	1,361,595	
		KRW	Secured loan of credit sale	61,444	61,444	
Kwangju Bank and others		KRW	Acquisition finance loan agreement	945,176	945,176	
		USD		547,000	547,000	
SKC Co., Ltd.		KEB Hana Bank and others	EUR		600	600
			KRW	Loan Agreement	2,918,000	474,300
	KEB Hana Bank and others	USD		691,250	170,669	
		USD	Guarantee of foreign currency payment	48,000	45,473	
	SF Train 1st	CNY		13,000	-	
		KRW	Asset Backed Loan	50,000	30,000	
	Shinhan Bank and others	KRW	Secured loan of credit sales	94,500	75,600	
		USD	Letter of credit	12,500	-	
	KEB Hana Bank, Shinhan Bank	EUR		11,726	11,726	
		JPY		1,957,810	1,957,810	
	SK Networks Co., Ltd.	KEB Hana Bank, NH Bank	KRW	Overdraft	8,000	8,000
			KRW	Fulfillment of trade	90,000	90,000
Industrial Bank of Korea and others		USD		333,000	330,387	
		KRW	General loan	72,100	71,172	
Woori Bank and others		KRW	Limit loan	446,900	433,214	
		USD		197,532	189,635	
SK Siltron Co., Ltd.	KEB Hana Bank and others	USD	Fulfillment of trade	249,470	154,323	
		USD	Factoring	60,000	46,756	
	Mizuho Bank	JPY		3,000,000	3,000,000	
		USD	Fund for facility	974,000	412,862	
	ING bank	KRW		502,250	300,000	
		USD	Limit loan	463,000	81,686	
	The Export-Import Bank of Korea and others	KRW		223,000	203,000	
		KRW	Secured loan of credit sales	39,000	39,000	
	Shinhan Bank and others	KRW		39,000	39,000	
		USD	Derivatives	17,251	17,251	

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40. Commitments and contingencies (cont'd)

(2) Guarantees provided for the Group as of December 31, 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Seoul Guarantee Insurance	KRW	9,694	Performance guarantees for contract and others
	Korea Software Financial Corporation	KRW	609,793	Performance guarantees for contract and others
SK Signet Inc.	Seoul Guarantee Insurance	KRW	28,915	Performance Guarantee Insurance and others
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW	175	Performance Guarantee for Sales Contract
Netruck Co., Ltd	Seoul Guarantee Insurance	KRW	4,094	Performance guarantees for contract and others
SK Incheon Petrochem Co., Ltd	KPIOCEANCONNECTPTE.LTD. and others	USD	380,363	Export L/C, Import L/C
Won Poll	Seoul Guarantee Insurance	KRW	776	Performance guarantees for contract and others
Blueoval SK LLC	Kookmin Bank	USD	125,000	Incentive guarantee
SK Battery America, Inc.	INGBANK HUNGARYBRANCH	USD	500,000	Performance guarantees and others
SKONHUNGARYKFT.	INGBANK HUNGARYBRANCH	HUF	72,800,000	Investment in Ivánca incentive guarantee
		EUR	1,200	Investment performance guarantees following the receipt of investment incentive
SK On Co., Ltd.	KEB Hana Bank and others	USD	972,563	Bond Principal and Interest Guarantee
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	689	Performance guarantees for contract
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	29,706	Guarantee of warranties contract
	Korea Content Financial Cooperative	KRW	93,000	Guarantee of warranties contract
SK M & Service Co., Ltd.	Seoul Guarantee Insurance	KRW	7,432	Guarantee of bid payment and others
	Shinhan Bank	KRW	1,000	Guarantee of Korean won
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	1,517	Performance guarantees
Service Ace Co., Ltd.	Seoul Guarantee Insurance	KRW	1	Guarantee of bid payment
SK O&S Co., Ltd.	Seoul Guarantee Insurance	KRW	50,000	Performance guarantees for contract and others
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	35	Specific debt guarantee
SK Store Co., Ltd.	Kookmin Bank	KRW	1,240	Performance guarantees and others
Dreamus company Co., Ltd.	Seoul Guarantee Insurance	KRW	1,010	Performance guarantees for contract
Seoul Airbus Co., Ltd.	Seoul Guarantee Insurance	KRW	72	Performance guarantee insurance for contract and others
GOOD SERVICE Co., LTD.	Seoul Guarantee Insurance	KRW	129	Performance guarantees for contract
YLP inc.	Seoul Guarantee Insurance	KRW	1,726	Deposit guarantees and others
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	3,108	Deposit guarantees and others
One store Co., Ltd.	Seoul Guarantee Insurance	KRW	1,425	Guarantee for E-commerce and others
	KEB Hana Bank	KRW	100	Guarantees for prepayment method and payment of Korean won
11street Co., Ltd.	Seoul Guarantee Insurance	KRW	27,037	Guarantee of deposit on lease and others
FSK L&S Co., Ltd.	KEB Hana Bank	KRW	2,000	Performance guarantees and others
	Seoul Guarantee Insurance	KRW	460	Performance guarantees for contract and others
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	12,046	Performance guarantees and others
	KEB Hana Bank	KRW	3,000	Performance guarantees and others
SK Networks Co., Ltd.	Seoul Guarantee Insurance	KRW	5,511	Performance guarantees for contract and others
SK Speedmate Co., Ltd	Seoul Guarantee Insurance	KRW	620	Performance guarantees for contract and others
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	33,239	Performance guarantees for sales contract
SK Magic Co., Ltd.	KEB Hana Bank	KRW	500	Performance guarantees for contract
	Seoul Guarantee Insurance	KRW	14,125	Performance insurances for warranties and others
EN-CORE CO., LTD.	Seoul Guarantee Insurance	KRW	1,882	Performance guarantees
SK Biotek Co., Ltd.	Seoul Guarantee Insurance	KRW	7,723	Performance guarantees for contract
SK Innovation Co., Ltd., (formerly SK E&S Co., Ltd.)	Seoul Guarantee Insurance	KRW	665	Performance guarantees for contract
	Kookmin Bank	USD	80,000	Guarantee of debt
SK E&S Co., Ltd.)	Shinhan Bank	KRW	29,466	Guarantee of debt
		USD	80,000	Guarantee of debt
Yeongnam Energy Service Co., Ltd.	BNP Paribas	USD	71,000	PPA Bid Guarantee
	Seoul Guarantee Insurance	KRW	1,578	Guarantee of warranties and approval

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40. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
Chonnam City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	144	Performance insurances for warranties and gas bill guarantee
Busan City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	10,819	Guarantee of seizure contract and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	1,426	Performance guarantees and Performance guarantees for approval
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	455	Performance guarantees for contract and warranties
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,141	Performance insurances for warranties and others
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,767	Performance guarantees for contract
Paju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	916	Performance guarantees for approval and others
Narae Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,765	Guarantee of license to use state property and others
Yeosu Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,455	Performance guarantees for deposit on approval and others
Dangjin Haengbok Solar Co., Ltd.	Seoul Guarantee Insurance	KRW	18,340	Guarantee of payment of facility restoration and relocation work expenses
Busan Jungkwan Energy Co., Ltd.	Seoul Guarantee Insurance	KRW	95,629	Performance guarantees for contract and others
Prism Energy International Zhoushan Limited	KEB Hana Bank Beijing Branch	CNY	14,780	Guarantee of Terminal fee
BU12 Australia Pty. Ltd., BU13 Australia Pty. Ltd., PRISM Energy International Australia (formely SK E&S Australia Pty. Ltd.)	ANZ Bank	USD	329,737	BU gas field recovery cost
SK Ecoplant Co., Ltd.	ANZ Bank	AUD	219	Deposit on lease
SK Ecoplant Co., Ltd.	HSBC and others	USD	252,761	Performance guarantees for overseas construction and others
		TRY	26,816	Performance guarantees for overseas construction and others
		KWD	46,074	Performance guarantees for overseas construction and others
		QAR	81,716	Performance guarantees for overseas construction and others
		HKD	37,621	Performance guarantees for overseas construction and others
		NOK	370,295	Performance guarantees for overseas construction and others
		USD	109,553	Performance guarantees for overseas construction and others
		GBP	18,900	Performance guarantees for overseas construction and others
		EUR	84,938	Performance guarantees for overseas construction and others
		USD	90,969	Performance guarantees for overseas construction and others
		NOK	136,302	Performance guarantees for overseas construction and others
		KRW	6,683,377	Performance guarantees for overseas construction and others
		KRW	315,423	Performance guarantees for domestic construction and others
		KRW	901,847	Performance guarantees for domestic construction and others
		KRW	7,521,451	Performance guarantees for domestic construction and others
SK Oceanplant Co.,Ltd.	Korea Trade Insurance Corporation Industrial Bank of Korea United Overseas Bank Ltd. Korea Defense Guarantee Cooperative and others Busan Bank	USD	95,000	Insurance of overseas investment.
		USD	1,235	WBOND
		USD	85,000	PBOND and WBOND
		KRW	512,531	PBOND and APBOND
		KRW	5,500	Guarantee of Korean won and others
		USD	851	PBOND

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40. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee	
SK Oceanplant Co.,Ltd.	Korea Development Bank	KRW	3,000	Guarantee of Korean won	
		KRW	264,209	Guarantee of payment and others	
	Seoul Guarantee Insurance	EUR	3,649	Guarantee of payment and others	
		USD	9,336	Guarantee of payment and others	
		USD	840	Borrowing and guarantee	
	Song Mu-seok	EUR	1,990	insurance-related joint guarantee	
		EUR	1,990	Borrowing and guarantee	
	Korea Eximbank	USD	8,413	insurance-related joint guarantee	
		USD	8,413	Performance guarantees for contract and others	
	Shinhan Bank	KRW	27,710	Guarantee of foreign currencies and others	
		USD	1,871	Guarantee of foreign currencies	
	SK Ecoengineering Co., Ltd.	Machinery Financial Cooperative and others	EUR	1,658	Guarantee of foreign currencies
			KRW	65,529	Advance payment guarantee
		Construction Guarantee Cooperative	KRW	3,742	Warranties
			KRW	92,705	Guarantee of Korean won
KEB Hana Bank		USD	25,279	PBOND	
		USD	18,325	Guarantees for overseas sale	
Korea Trade Insurance Corporation		SWISSRE	USD	100,000	L/C
		Construction Guarantee Cooperative	KRW	574,278	Payment Guarantee, Performance guarantees for construction
Kookmin Bank		USD	25,000	Guarantee of foreign currencies and others	
		Busan Bank	USD	15,000	L/C
Seoul Guarantee Insurance	PLN	3,746	Performance guarantees		
	KRW	136	Payment Guarantee and Performance guarantee		
RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd)	Engineering Financial Cooperative	KRW	203,542	Payment Guarantee and Performance guarantee	
		Woori Bank	USD	5,672	Foreign currency Payment Guarantee
	Construction Guarantee Cooperative	KRW	35,369	Performance guarantees for business, construction, warranties and others	
ECO FRONTIER (SINGAPORE) PTE. LTD.	Seoul Guarantee Insurance	KRW	110,947	Performance guarantees for contract, payment, construction, advance payment and others	
		Engineering Financial Cooperative	KRW	172,427	Guarantees for contract, warranties and others
TOPSUN CO.,LTD.	MAYBANK SINGAPORE LIMITED	SGD	752	BANKERSGUARANTEE	
Topsun Co.,Ltd.	Seoul Guarantee Insurance	KRW	48,588	Bid Contract Defect Payment Guarantee	
		KRW	8,650	Guarantee of debt	
		KRW	29,014	Bid Contract Defect Payment Guarantee	
Renewcon Daewon Co., Ltd.	Korea Construction Resource Mutual Aid Association	KRW	1,340	Performance guarantees for contract and others	
Renewenergy Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	2,845	Performance guarantee insurance for contract and others	
Renewenergy Green Co., Ltd.	Seoul Guarantee Insurance	KRW	1,426	Abandoned Waste Disposal Performance Guarantee	
Renewenergy Saehan Co., Ltd.	Seoul Guarantee Insurance	KRW	2,458	Performance guarantees for approval and contract and others	
Renewenergy Jeonnam Co., Ltd.	Seoul Guarantee Insurance	KRW	2,184	Performance guarantee insurance for contract and others	
Renewenergy Chungnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,023	Performance contract and others	
Renewenergy Chungbuk Co., Ltd.	Seoul Guarantee Insurance	KRW	6,036	Commodity payment guarantee insurance and others	
Renewland Cheongju Co., Ltd.	Seoul Guarantee Insurance	KRW	11,650	Performance guarantees for contract and approval and others	
SEONGJU TECH CO.,LTD.	TOWOO CONSTRUCTION INDUSTRIAL CO.,LTD.	KRW	15,000	Completion of responsibility	
SKC Co., Ltd	KEB Hana Bank	KRW	58,500	Bond Payment Guarantee	
		KRW	102,000	Bond Payment Guarantee	
SK Nexilis Co., Ltd.	Woori Bank	KRW	10,744	Performance guarantees for deposits	
SK Specialty Co., Ltd.	Seoul Guarantee Insurance	KRW	7,612	Performance guarantees and others	
SK materials G14 Co.,Ltd	Seoul Guarantee Insurance	KRW	12	Gas Usage Fee Payment Guarantee	
SK Forest Co., Ltd.	Seoul Guarantee Insurance	KRW	9,680	Guarantees for contract, advance payment, warranties and others	
	Construction Guarantee Cooperative	KRW	17,138	Guarantees for contract, advance payment, warranties and others	

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40. Commitments and contingencies (cont'd)

(3) Guarantees provided to others as of December 31, 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantor	Guarantee	Currency	Amount	Description of guarantee	
SK Ecoplant Co., Ltd.	POSCO Eco & Challenge Co., Ltd.	KRW	523	Joint Subcontracting Joint Liability	
	Hanyang Corporation	KRW	25,270	Joint Subcontracting Joint Liability	
	Samsung C&T Corporation	KRW	728	Joint Subcontracting Joint Liability	
	Daewoo Engineering & Construction Co., Ltd.	KRW	139,018	Joint Subcontracting Joint Liability	
	Kyeryong Construction Industrial Co., Ltd.	KRW	286	Joint Subcontracting Joint Liability	
	Samco Construction Co., Ltd.	KRW	1,376	Joint Subcontracting Joint Liability	
	EAST SEOUL UNDERPASS COMPANY	KRW	16,629	Performance Guarantee	
	Smartrail Co., Ltd.	KRW	42,861	Performance Guarantee	
	KC MT Co., Ltd.	KRW	5,203	Joint Guarantee for Investment Attraction Subsidy	
	KT Corporation	KRW	2,015	LTSA Additional Guarantee	
	ChangwonEnerPark Co., Ltd.	KRW	6,887	LTSA Additional Guarantee	
	SE Greenenergy Co.,Ltd.	KRW	12,000	LTSA Additional Guarantee	
	Paju EcoEnergy Co., Ltd.	KRW	12,002	LTSA Additional Guarantee	
	Korea East-West Power Co., Ltd.	KRW	72,867	LTSA Additional Guarantee	
	Korea Midland Power Co., Ltd.	KRW	6,688	LTSA Additional Guarantee	
	Korea Western Power Co., Ltd.	KRW	87,036	LTSA Additional Guarantee	
	KPE Green Energy Co., Ltd.	KRW	12,000	LTSA Additional Guarantee	
	Gangneung Sacheon Fuel Cell Co., Ltd.	KRW	16,000	LTSA Additional Guarantee	
	SK Ecoplant Co., Ltd.	Chuncheon Green Energy Inc.	KRW	23,756	LTSA Additional Guarantee
		Seokmun Green Energy Co., Ltd.	KRW	12,000	LTSA Additional Guarantee
SBC General Trading & Contracting Co. WLL and others		KWD	3,500	Credit Limit Guarantee	
Gowoon Construction Co., Ltd.		KRW	111,057	Housing guarantee	
Asia Trust Co., Ltd.		KRW	738,263	Housing guarantee	
HCM001, LLC		USD	105,276	Performance guarantee and others	
HCS001, LLC		USD	171,997	Performance guarantee	
QH Oil Investments LLC		USD	33,155	Compensation Guarantee	
Sejong Venture Valley Industrial Complex Co., Ltd.		KRW	24,000	Conditional Assumption of Debt	
RenewUs Co., Ltd. (Formerly, Environment Management Corporation Co., Ltd)		Geochang Malgunmool Sarang Co.,Ltd.	KRW	1,586	Guarantee of debt payment
	Gyeongsan Pure Water Co. Ltd.	KRW	887	Guarantee of debt payment	
	GYEONGSAN CLEAN ENERGY CO.,LTD	KRW	5,013	Guarantee of debt payment and others	
	KIMHAE CLEAN WATER LOAD CO.,LTD.	KRW	1,952	Guarantee of debt payment	
	Dongbugwon Puleunmul co., LTD.	KRW	668	Guarantee of debt payment	
	FUTURE ENVIRONMENTAL ENERGY CO.,LTD.	KRW	2,646	Guarantee of debt payment	
	ASAN GREEN ENVIRONMENT CO., LTD.	KRW	2,489	Guarantee of debt payment	
	Asanseo Seafood Gil Co., Ltd.	KRW	2,036	Guarantee of debt payment	
	Yangyang Clean Water Road Co., Ltd.	KRW	231	Guarantee of debt payment	
	YEONGJU SMC CO.,LTD.	KRW	867	Guarantee of debt payment	
	ULJIN CLEAN WATER LOAD CO.,LTD.	KRW	645	Guarantee of debt payment	
	The 2nd Yangsan Echo Line Co., Ltd	KRW	4,230	Guarantee of debt payment	
	Jinan Bio Energy Co., Ltd.	KRW	2,714	Guarantee of debt payment	
	Jinju Echo Line Co.,Ltd.	KRW	11,195	Guarantee of debt payment	
	CHEONAN CLEAN WATER LOAD CO.,LTD.	KRW	5,635	Guarantee of debt payment	
	CHUNCHEON CLEAN WATER LOAD CO.,LTD.	KRW	2,405	Guarantee of debt payment	
	Pyeongtaek Ecopia Co.,Ltd.	KRW	7,771	Guarantee of debt payment	
	POHANG CLEAN WATER CO.,LTD.	KRW	10,469	Guarantee of debt payment	
	POHANG NEW WATER ROAD CO.,LTD.	KRW	1,743	Guarantee of debt payment	
	Green Seobu Environment Co., Ltd.	KRW	1,748	Guarantee of debt payment	
HONGSUNG CO.,LTD.	KRW	6,153	Guarantee of debt payment		
ASAN SONGAK WATER ROAD CO.,LTD.	KRW	1,603	Performance Guarantee		

SK Inc. and its subsidiaries
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40. Commitments and contingencies (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee	
Topsun Co.,Ltd.	Bodae Energy Co., Ltd.	KRW	23	Seoul Guarantee Insurance Joint Guarantee	
	Sannari Solar Co., Ltd.	KRW	25	Seoul Guarantee Insurance Joint Guarantee	
	Solar Ocean Co., Ltd.	KRW	31	Seoul Guarantee Insurance Joint Guarantee	
	Songgo Energy Co., Ltd.	KRW	24	Seoul Guarantee Insurance Joint Guarantee	
	Jang G Solar Co., Ltd.	KRW	24	Seoul Guarantee Insurance Joint Guarantee	
	TOPTECH ENERGY CO.,LTD.	KRW	13,200	Seoul Guarantee Insurance Joint Guarantee	
	TS ENERGY NO.13 CO.,LTD.	KRW	9	Seoul Guarantee Insurance Joint Guarantee	
	TS ENERGY NO.2 CO.,LTD.	KRW	19	Seoul Guarantee Insurance Joint Guarantee	
SK Geo Centric Co., Ltd.	SABIC SK Nexlene Company Pte. Ltd.	USD	165,000	Guarantee of debt	
Iberian Lube Base Oils S.A.	Puertos del Estado and others	EUR	1,127	Contingent loss guarantee related to construction in port authority land	
Netruck Co., Ltd.	BizTalk Corporation and others	KRW	28	Electricity Bill Payment Guarantee and others	
SK Innovation Co., Ltd.	SK Plug Hibus Co., Ltd.	KRW	22,363	Investment performance guarantee	
	Jeonnam Offshore Wind Power Co., Ltd.	KRW	29,466	Investment performance guarantee	
	Boryeong LNG Terminal Co.,Ltd		KRW	310,000	Public bond borrowing cash deficiency support
			KRW	the excess project cost	PF Cash deficiency support
	CHUNGSAN WIND POWER CO., LTD.	KRW	67% of the excess project cost	PF Cash deficiency support	
	WONDONG WIND FARM CO., LTD.	KRW	35% of the excess project cost	PF Cash deficiency support	
	Haesolarenergy, Inc.	KRW	50% of the excess project cost	PF Cash deficiency support	
	Jeonnam Offshore Wind Power Co., Ltd.	KRW	51% of the excess project cost	PF Cash deficiency support	
	NEW&COMPANY ONE Pte. Ltd.	KRW	45% of PF borrowing principal and interest	PF Cash deficiency support	
	POCHEON IPP CO.,LTD.	KRW	REC Purchase price	Performance guarantees for contract	
Goseong Green Power Co., Ltd.	KRW	REC Purchase price	Performance guarantees for contract		
Ko-one energy service Co., Ltd.	Godeok Clean Energy Co., Ltd.	KRW	19.5% of the excess project cost	PF Cash deficiency support	
SK Siltron Co., Ltd.	Chicago Title Insurance Company	USD	12,000	Title Insurance Guarantee	
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	195	Performance Bond Insurance and others	
Nate Communications Co., Ltd. (Formerly, SK Communications Co., Ltd.)	KSNET, Inc.	KRW	6	Electronic Payment Gateway Service Agreement	
	Purchaser or right holder of electronic payment method	KRW	250	Protection of user funds from electronic financiers	
SK Enpulse Co., Ltd.	SKC Semiconductor (Wuxi) Co.,Ltd	CNY	13,000	Joint Liability Guarantee for Borrowing	
Dreamus Company Co., Ltd.	Youngkwang Precision Industry Co., Ltd. and others	KRW	326	Performance guarantees for contract	

40. Commitments and contingencies (cont'd)

(4) PF contingencies

1) PF Summary table

As of December 31 2024, the consolidated entity provides credit enhancement of ₩1,821,314 million (₩984,665 million as of December 31, 2023) with a loan balance of ₩2,235,093 million(₩1,243,538 million as of December 31, 2023) in relation to PF, of which ₩1,255,106 million(₩783,889 million as of December 31, 2023) for the consolidated entity alone and ₩566,028 million(₩200,776 million as of December 31, 2023) for the consortium participation project.

There was no case that contingencies converted into a provisions during the current term.

Of these, we are providing credit enhancement for ₩659,650 million, based on the loan balance (₩170,350 million as of December 31, 2023), with a guarantee limit for specially related parties of ₩683,520 million (₩184,420 million as of December 31, 2023).

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40. Commitments and contingencies (cont'd)

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

Type	Contract	Guarantee Limit	Guarantee amount	Loan Balance 2024.12.31	Within 3 months	3 months ~ 6 months	6 months ~ 12 months	
Maintenance Business	Main PF	₩ 63,784	₩ 63,784	₩ 55,806	₩ -	₩ -	₩ -	
	Total	63,784	63,784	55,806	-	-	-	
Other Business	Bridge Loan	345,800	345,800	324,000	-	324,000	-	
	Main PF	1,049,500	1,034,800	875,300	-	-	545,300	
	Total	1,395,300	1,380,600	1,199,300	-	324,000	545,300	
Sole Business Total		₩ 1,459,084	₩ 1,444,384	₩ 1,255,106	₩ -	₩ 324,000	₩ 545,300	
Maintenance Business	Main PF	Entire Group	₩ 240,691 238,479	₩ 187,232 185,019	₩ 148,392 146,548	₩ - -	₩ 4,311 4,311	
	Total	Entire Group	240,691 238,479	187,232 185,019	148,392 146,548	- -	4,311 4,311	
Other Business	Bridge Loan	Entire Group	29,582 5,310	29,582 5,310	29,582 5,310	29,582 5,310	- -	
	Main PF	Entire Group	627,440 532,220	533,440 438,220	493,700 414,350	- -	198,700 119,350	
	Total	Entire Group	657,022 537,530	563,022 443,530	523,282 419,660	- -	198,700 119,350	
Consortium Total		Entire Group	897,713 776,009	750,254 628,549	671,674 566,208	- -	203,011 123,661	
Grand Total		Entire Group	2,356,797 ₩ 2,235,093	2,194,638 ₩ 2,072,933	1,926,780 ₩ 1,821,314	- ₩ -	648,582 ₩ 624,310	748,311 ₩ 668,961

Type	Contract	Guarantee Limit	Guarantee amount	Loan Balance 1 year~ 2 years	2 years ~ 3 years	Over 3 years	2023.12.31
Maintenance Business	Main PF	₩ 63,784	₩ 63,784	₩ -	₩ 19,000	₩ 36,806	₩ 39,889
	Total	63,784	63,784	-	19,000	36,806	39,889
Other Business	Bridge Loan	345,800	345,800	-	-	-	194,000
	Main PF	1,049,500	1,034,800	-	330,000	-	550,000
	Total	1,395,300	1,380,600	-	330,000	-	744,000
Sole Business Total		₩ 1,459,084	₩ 1,444,384	₩ -	₩ 349,000	₩ 36,806	₩ 783,889
Maintenance Business	Main PF	Entire Group	₩ 240,691 238,479	₩ 125,968 124,124	₩ - -	₩ 18,113 18,113	₩ 132,270 130,426
	Total	Entire Group	240,691 238,479	125,968 124,124	- -	18,113 18,113	132,270 130,426
Other Business	Bridge Loan	Entire Group	29,582 5,310	- -	- -	- -	- -
	Main PF	Entire Group	627,440 532,220	- -	- -	- -	201,000 70,350
	Total	Entire Group	657,022 537,530	- -	- -	- -	201,000 70,350
Consortium Total		Entire Group	897,713 776,009	125,968 124,124	- -	18,113 18,113	333,270 200,776
Grand Total		Entire Group	2,356,797 ₩ 2,235,093	125,968 ₩ 124,124	349,000 ₩ 349,000	54,919 ₩ 54,919	1,117,159 ₩ 984,665

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

As of the end of the current period, the details of the PF (loan) guarantees for 19 maintenance projects and other related projects are as follows. In some agreements related to PF guarantees, there are grounds for loss of the right to due time worth ₩1,821,314 million (₩984,665 million as of December 31, 2023) when situations such as the borrower's failure to pay the amount due according to the financial contract, occurrence of a default event to the constructor or the borrower, or decline in the credit rating of the constructor occur. (Korean won in millions):

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40. Commitments and contingencies (cont'd)

Business Type	Location	Type	PF	Credit Enhancement Type	Limit	Rate(*)	Amount (Group)	Affiliated
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ 12,786	100%	₩ 12,786	-
	Seoul	Apartment	Main PF	Joint guarantee	22,800	100%	22,800	-
	Seoul	Apartment	Main PF	Joint guarantee	12,281	100%	12,281	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	100%	9,544	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	100%	6,373	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	130,800	100%	130,800	-
	Pusan	Business facilities	Bridge loan	Cash deficiency support	215,000	100%	215,000	Y
	Daegu	Apartment	Main PF	Cash deficiency support	264,000	100%	264,000	-
	Daegu	Apartment	Main PF	Cash deficiency support and completion	445,500	100%	445,500	-
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	340,000	100%	325,300	Y
Sole business total					<u>₩ 1,459,084</u>		<u>₩ 1,444,384</u>	
Maintenance business	Ulsan	Apartment	Main PF	Joint guarantee	₩ -	100%	₩ -	-
	Gwangju	Apartment	Main PF	Joint guarantee	5,173	100%	5,173	-
	Daejeon	Apartment	Main PF	Joint guarantee	-	100%	-	-
	Seoul	Apartment	Main PF	Joint guarantee	17,520	100%	15,280	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	3,161	30%	948	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	10,344	100%	10,344	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	195,000	100%	143,780	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	100%	9,493	-
Other Business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	322,440	50%	143,220	Y
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	305,000	100%	295,000	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	29,582	18%	5,310	-
Consortium total					<u>₩ 897,713</u>		<u>₩ 628,548</u>	
Grand Total					<u>₩ 2,356,797</u>		<u>₩ 2,072,932</u>	

Business Type	Location	Type	PF	Credit Enhancement Type	Loan Balance		Term	Maturity	Type	Responsibility for completion amount
					Current Term	Prior Term				
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ 10,655	₩ 10,655	19.10 ~ 28.10	'28.10	Loan	₩ -
	Seoul	Apartment	Main PF	Joint guarantee	19,000	19,000	22.02 ~ 27.02	'27.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	10,234	10,234	23.11 ~ 28.02	'28.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	-	24.10 ~ 29.09	'29.09	Loan	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	-	24.12 ~ 29.08	'29.08	Loan	-
Other Business	Seoul	Apartment	Bridge loan	Cash deficiency Support	109,000	94,000	23.05 ~ 25.06	'25.06	Loan, ABL and Bond	-
	Pusan	Business facilities	Bridge loan	Cash deficiency Support	215,000	100,000	23.09 ~ 25.05	'25.05	Loan and ABCP	-
	Daegu	Apartment	Main PF	Cash deficiency support	220,000	220,000	23.07 ~ 25.07	'25.07	Bond	-
	Daegu	Apartment	Main PF	Cash deficiency Support and completion	330,000	330,000	23.07 ~ 27.07	'27.07	Loan and ABCP	330,000
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support	325,300	-	21.12 ~ 25.12	'25.12	Loan	-
Sole business total				<u>₩ 1,255,106</u>	<u>₩ 783,889</u>				<u>₩ 330,000</u>	

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40. Commitments and contingencies (cont'd)

Business Type	Location	Type	PF	Credit Enhancement Type	Loan Balance		Term	Maturity	Type	Responsibility for completion amount
					Current Term	Prior Term				
Maintenance business	Ulsan	Apartment	Main PF	Joint guarantee	₩ -	₩ 4,226	20.06 ~ 24.05	'24.05	Loan	₩ -
	Gwangju	Apartment	Main PF	Joint guarantee	4,311	4,311	20.07 ~ 25.08	'25.08	Loan	-
	Daejeon	Apartment	Main PF	Joint guarantee	-	4,845	22.09 ~ 25.08	'24.05	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	12,734	12,734	21.12 ~ 24.05	'26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	790	790	22.03 ~ 26.12	'26.07	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	8,620	8,620	22.11 ~ 26.07	'28.01	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	110,600	94,900	24.04 ~ 28.01	'26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	-	24.11 ~ 26.12	'29.11	Loan	-
Other business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency Support and completion	119,350	70,350	22.10 ~ 25.08	'25.08	Loan	120,612
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency Support	295,000	-	22.05 ~ 25.05	'25.05	Loan	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	5,310	-	24.06 ~ 25.06	'25.06	ABL	-
Consortium total					<u>₩ 566,208</u>	<u>₩ 200,776</u>				<u>₩ 120,612</u>
Grand Total					<u>₩ 1,821,314</u>	<u>₩ 984,665</u>				<u>₩ 450,612</u>

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

3) Real Estate PF liability agreement

As of December 31 2024 and 2023, the consolidated entity provides a conditional debt acceptance agreement in case of failure to fulfill the completion guarantee as follows in relation to maintenance business and other businesses. (Korean won in millions):

	December 31, 2024				December 31, 2023			
	Number	Contract Amount	Agreed Amount	Loan Balance	Number	Contract Amount	Agreed Amount	Loan Balance
Maintenance business	-	-	-	-	-	-	-	-
Maintenance business(Group)	-	-	-	-	-	-	-	-
Other business	18	₩ 3,730,263	₩ 3,787,884	₩ 2,553,912	26	₩ 5,029,473	₩ 6,143,121	₩ 3,955,095
Other business(Group)	18	3,730,263	3,749,796	2,515,824	26	5,029,473	6,076,106	3,892,370
Total	18	<u>₩ 3,730,263</u>	<u>₩ 3,787,884</u>	<u>₩ 2,553,912</u>	26	<u>₩ 5,029,473</u>	<u>₩ 6,143,121</u>	<u>₩ 3,955,095</u>
Total(Group)	18	<u>₩ 3,730,263</u>	<u>₩ 3,749,796</u>	<u>2,515,824</u>	26	<u>₩ 5,029,473</u>	<u>₩ 6,076,106</u>	<u>₩ 3,892,370</u>

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40. Commitments and contingencies (cont'd)

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

As of December 31 2024, the consolidated entity has entered into an agreement to guarantee ₩100,772 million (₩113,790 million as of December 31, 2023) for the construction progress payment loans of the buyer's related to the renovation business. Furthermore, in relation to other businesses, it has made an agreement to guarantee ₩863,639 million (₩724,375 as of December 31, 2023) for the buyer's construction progress payment loans. (Korean won in millions):

	For the year ended December 31, 2024				For the year ended December 31, 2023			
	Number	Contract Amount	Agreed Amount	Loan Balance	Number	Contract Amount	Agreed Amount	Loan Balance
Maintenance business	6	₩ 345,965	₩ 288,304	₩ 152,253	10	₩ 471,280	₩ 411,643	₩ 203,031
Maintenance business(Group)	6	255,127	212,606	100,772	10	256,093	223,081	113,790
Other business	15	2,692,222	2,230,185	863,639	12	1,840,416	1,530,847	760,799
Other business(Group)	15	2,692,222	2,230,185	863,639	12	1,606,416	1,335,847	724,375
Total	21	₩ 3,038,187	₩ 2,518,489	₩ 1,015,892	22	₩ 2,311,696	₩ 1,942,490	₩ 963,830
Total(Group)	21	₩ 2,947,349	₩ 2,442,791	₩ 964,411	22	₩ 1,862,509	₩ 1,558,928	₩ 838,165

5) Real Estate PF's SOC guarantee loan

As of December 31 2024, the consolidated entity provides credit enhancement such as fulfillment and provision for the outstanding loan balance of ₩768,638 million (₩758,855 million as of December 31, 2023), up to a limit of the consolidated entity's share of ₩1,342,651 million (₩1,341,505 million as of December 31, 2023) in relation to borrowings, etc. of the SOC Corporation and the executor. Moreover, it is obliged to supplement funds in the event of a shortfall in the mandatory operating expenses of the SOC Corporation. (Korean won in millions):

	For the year ended December 31, 2024			For the year ended December 31, 2023				
	Number	Contract Amount	Agreed Amount	Loan Balance	Number	Contract Amount	Agreed Amount	Loan Balance
SOC	14	₩ 4,872,113	1,342,651	768,638	14	₩ 4,872,113	1,341,505	758,855

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40. Commitments and contingencies (cont'd)

(5) Pending litigations

1) The Group's significant pending litigations as of December 31, 2024, in which the Group is a plaintiff are as follows (Korean won in millions):

Plaintiff	Defendant	Description	Currency	Claim	Status
SK Inc.	Republic of Korea and others	Claim for Outstanding Service Fees and others	KRW	2,230	First trial in progress and others
SK Incheon Petrochem Co., Ltd.	Dong-A Tanker Corporation	Claim for damages	KRW	10,075	First trial in progress
SK Innovation Co., Ltd.	Gwangyang City mayor	Claim for cancellation of imposition of refusal of request for correction	KRW	1,176	Second trial in progress
Paju Energy Service Co., Ltd.	Paju City mayor and others	Claim for cancellation of imposition of refusal of request for correction	KRW	1,964	First trial in progress and others
Narae Energy Service Co., Ltd.	Hanam City Hall	Claim for cancellation of imposition of refusal of request for correction and others	KRW	2,117	Second trial in progress
Eleven Street Co., Ltd.	Individual and others	Claim for damages and others	KRW	4,061	First trial in progress and others
SK Planet Co., Ltd.	Korea Chemical Control Association	Claim for completion payment	KRW	2,077	Arbitration in progress
Dreamus Company Co., Ltd.	Ebo Tech and others	Claim for damages and others	KRW	604	Second trial in progress and others
Tmap Mobility Co., Ltd.	People Com and others	Claim for Debt Collection Lawsuit and others	KRW	4,486	First trial in progress and others
One store Co., Ltd.	Google LLC	Claim for damages	KRW	501	First trial in progress
SK Telecom Co., Ltd.	Korea Fair Trade Commission and others	Claim for damages and others	KRW	1,635	Second trial in progress and others
SK Broadband Co., Ltd.	Magoknaru Botanic and others	Claim for payment of goods and others	KRW	1,079	Third trial in progress and others
SK Networks Co., Ltd.	Suwon Tax Office and others	Claim for cancellation of imposition of refusal of request for correction and others	KRW	2,299	First trial in progress and others
SK Nexilis Co., Ltd.	Solus Advanced Materials Co., Ltd. and others	Claim for damages	KRW	(*1)	First trial in progress
SK Ecoplant Co., Ltd.	NSRP	Claim for payment of construction	KRW	273,420	Arbitration in progress
	PNPC	Claim for payment of construction	KRW	217,413	Arbitration in progress
	KB Insurance and others	Claim for Insurance Payout and others	KRW	158,092	First trial in progress and others
	Goseong Green Power Co., Ltd.	Claim for payment of construction	KRW	284,922	First trial in progress
Topsun Co.,Ltd.	RDP and others	Claim for Progress Payment Lawsuit and others	KRW	116,057	Second trial in progress and others
	KOCECO CO.,LTD. and others	Claim for Settlement Payment Lawsuit and others t	KRW	758	First trial in progress and others
SK Oceanplant Co.,Ltd.	HANIL INTERNATIONAL CO.,LTD. and others	Claim for damages and others	KRW	8,153	Second trial in progress and others
RenewUs Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	Siheung City and others	Claim for Business Operating Expenses Lawsuit and others	KRW	18,251	Second trial in progress and others

(*1) The amount of the lawsuit cannot be determined as of the end of the current period.

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40. Commitments and contingencies (cont'd)

2) The Group's significant pending litigations as of December 31, 2024, in which the Group is a defendant are as follows (Korean won in millions):

Defendant	Plaintiff	Description	Currency	Claim	Status
SK Inc.	ECS TELECOM CO., LTD	Claim for damages and others	KRW	2,902	Second trial in progress and others
Tmap Mobility Co., Ltd.	ELUON CMS Corporation and others	Claim for damages and others	KRW	546	Third trial in progress and others
One store Co., Ltd.	KYUNGMIN Entertainment Co.,Ltd	Claim for Cancellation of Contract Lawsuit	KRW	679	First trial in progress
SK Telecom Co., Ltd.	NongHyup and others	Claim for damages and others	KRW	118,526	First trial in progress and others
SK Broadband Co., Ltd.	Republic of Korea and others	Claim for damages and others	KRW	8,629	First trial in progress and others
SK Networks Co., Ltd.	Durr Korea Inc. and others	Claim for payment of goods and others	KRW	2,072	First trial in progress and others
SK Networks Service Co., Ltd.	Doobis Co.,Ltd.	Claim for Loan Repayment Lawsuit	KRW	8,862	First trial in progress and others
SK Magic Service Co. Ltd	Individual and others	Claim for Severance Pay Lawsuit	KRW	789	First trial in progress
SK ENPULSE Co., Ltd.	POSCO Eco&Challenge Co., Ltd.	Claim for damages	KRW	4,000	The trial date is currently estimated
ISC Co., Ltd.	HANWHA CORPORATION	Claim for payment of construction	KRW	7,402	Delivery of the Notice of Trial Date
SK Nexilis Co., Ltd.	Circuit Foil Luxembourg and others	Claim for damages and others	KRW	800	First trial in progress and others
SK Innovation Co., Ltd.	POSCO INTERNATIONAL CORPORATION	Claim for Settlement Payment Lawsuit	KRW	3,175	First trial in progress
Busan City Gas Co., Ltd.	HDC-labs Co., Ltd.	Claim for payment of construction	KRW	534	Second trial in progress
EverCharge, Inc., Mobility Solution I, Inc., Mobility Solution II, Inc., PassKey, Inc.	Individual	Claim for damages	USD	3,300	First trial in progress
SK Ecoplant Co., Ltd.	AL-ESSAM and others	Claim for damages and others	KRW	55,035	First trial in progress and others
	GE	Claim for damages	KRW	47,775	Arbitration in progress
	NSRP	Claim for payment of construction	KRW	129,066	Arbitration in progress
	PNPC	Claim for payment of construction	KRW	491,568	Arbitration in progress
	Godeok Clean Energy Co., Ltd	Claim for damages	KRW	18,309	Arbitration in progress
Topsun Co.,Ltd	Manhoyeomjeon Co., Ltd. and others	Claim for Agreed Payment Lawsuit and others	KRW	5,258	Second trial in progress and others
SK Oceanplant Co.,Ltd.	JEONJIN OCEAN DEVELOPMENT CO.,LTD. and others	Claim for payment of construction and others	KRW	2,473	First trial in progress and others
SAM KANG S&C Co., Ltd.	GTS KOREA Co., Ltd. And others	Claim for payment of construction	KRW	1,091	Second trial in progress and others
SK Ecoengineering Co., Ltd.	Korea Gas Corporation Co., Ltd. and others	Claim for damages and others	KRW	68,547	First trial in progress and others
Renewus Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	Siheung City and others	Claim for Contribution Payment Lawsuit and others	KRW	5,969	Second trial in progress and others
SK Specialty Co., Ltd.	Sodiff BNF Co.,Ltd.	Claim for Prevention of Interference with Property Lawsuit	KRW	1,000	First trial in progress

40. Commitments and contingencies (cont'd)

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

On May 4, 2020, the Attorney General Office of California, USA, filed a civil lawsuit in the California District Court located in San Francisco against Vitol Inc., SK On Co., Ltd. and SK Energy Americas Inc., the subsidiaries of the Group, for manipulating the market price of gasoline products and anti-competitive and unfair practices during the refinery explosion in 2015. Since May 6, 2020, end-users of gasoline have filed a number of collective lawsuits in California federal court. Meanwhile, settlement agreements between the plaintiffs and defendants in the civil lawsuit in the state court and the class-action lawsuit in the federal court were reached in October 2023 and May 2024, respectively. In the case of the civil lawsuit in the state court, a settlement was reached for USD 50 million (USD 25 million each for SK entities, including pre-merger SK Trading International Co., Ltd. and SK Energy Americas Inc., and Vitol Inc.). For the class-action lawsuit, a settlement was reached for USD 14 million (USD 7 million each for SK Energy Americas Inc. and Vitol Inc.). These amounts have been recorded as non-operating expenses for the pre-merger absorbed entity and SK Energy Americas Inc. Currently, both cases are undergoing court approval and other procedures for final closure, and the exact timing of the final resolution remains uncertain.

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. As of the end of the current period, the cumulative amount claimed against SK Innovation Co., Ltd. is ₩9,756 million.

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

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

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

40. Commitments and contingencies (cont'd)

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 December 31, 2024, the appeal of the lawsuit in the U.S. was rejected and the jury's verdict determined damages, but the final ruling was not made because some of the compensation for damages were not confirmed. Meanwhile, Kaneka Corporation filed a lawsuit against PI Advanced Materials Co., Ltd. in Korea based on a portion of final judgment on the U.S. jury's verdict. Accordingly, the subsidiary SKC Co., Ltd. paid PI Advanced Materials Co., Ltd. USD 16 million which is 50% of USD 8 million 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 December 31, 2024, the final result of trial 1 and the timing of payment of compensation for damage are not estimable.

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

40. Commitments and contingencies (cont'd)

(6) Commitments

< SK Inc.>

- 1) In accordance with the Commercial Code of the Republic of Korea, the Group, SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd, SK Enmove Co., Ltd, SK Incheon Petrochem Co., Ltd., SK enterm Co., Ltd., SK ie technology Co., Ltd., SK On Co., Ltd, and SK Earthon Co., Ltd. are collectively responsible for any obligations of the Company arising before the spin-off. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations of the Company that occurred before the spin-off on April 1, 2011 and the Company and SK Specialty Co., Ltd. are collectively responsible for any obligations of SK Materials Co., Ltd. (formerly) that occurred before the spin-off on December 1, 2021.
- 2) The Group has signed a lease contract for the head office building from SK REIT 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 Group has signed IT outsourcing and IT System Maintenance contracts with SK Group affiliates to maintain, develop IT system and supply hardware.
- 4) The Group has total return swap contracts with investor of ordinary shares in regards to SK Shipping Co., Ltd.'s issuance of ordinary shares and sale of existing shares, and details are as follows:

	<u>Subscription of new shares</u>	<u>Sale of existing shares</u>
Investor	Special Situation 1 st Fund	Corporate Turnaround 1 st Fund
Number of shares (in shares)	6,548,672	4,808,259
Contract date	March 30, 2022	March 30, 2022
Expiry date	April 13, 2027	May 11, 2027
Settlement	The Group and the investor make a cash settlement of the amount that deducts the issue price from the net selling price. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.	
Premium	The Group pays to the investor the amount equivalent to 3.899% of the total shares held by the investor annually. When the investor receives dividends on the shares held, the amount is paid to the Group.	
Call option	The Group may request the purchase of the common stock contract amount held by the investor on the first day of each year between the date of the investment termination and the maturity date.	

40. Commitments and contingencies (cont'd)

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

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

As of December 31, 2024, the value of the agreements amounting to ₩169,131 million is recognized in long-term borrowings.

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

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

40. Commitments and contingencies (cont'd)

As of December 31, 2024, the value of the above total return swap agreement amounting to ₩677,775 million is recognized under long-term borrowings.

- 7) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 236,000 thousand of Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc.
- 8) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 315,000 thousand of Abrasax Investment Inc., a subsidiary of SK Pharmteco Inc.
- 9) The Group has a shareholder-to-share agreement with Resonac Holdings Corporation in relation to the investment of subsidiary SK Resonac Corporation, and Resonac Holdings Corporation has the right to sell 630,000 shares (15%) of SK Resonac Corporation at ₩5,000 per share in the event of a specific case of this agreement. The Group recognizes financial liabilities of ₩3,150 million in accordance with the above agreement related to SK Resonac Corporation.
- 10) The Group have signed a contract between shareholders that allows certain shareholders to sell their shares to us for ₩50,000 per share if certain conditions are met for shares held by certain shareholders of its subsidiary SK Signet Co., Ltd. The Group recognizes financial liabilities of ₩97,843 million in accordance with the above agreement related to SK Signet Co., Ltd.
- 11) LNG Americas, Inc, 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 2020. As of December 31, 2024, SK Innovation Co., Ltd., one of the subsidiaries, is responsible for performance guarantee in case of LNG Americas, Inc.'s inability to make payments for service or for claims against breach of obligation. In regard to this, the Group provides performance guarantee for SK Innovation Co., Ltd.'s guarantee.
- 12) The Group has pledged 2,936,225 shares of SOCAR Co., Ltd., which it holds as assets held for sale, to the buyer, Lotte Rental Co., Ltd.
- 13) As of the end of the reporting period, the subsidiary SK Pharmteco Inc. is obligated to repay the investment at a price that ensures the guaranteed return for investors in the event of a failed IPO within the specified period. The Group has recognized a financial liability of ₩767,389 million in connection with the above agreement related to SK Pharmteco Inc.
- 14) The Group has entered into a shareholder agreement regarding the convertible preferred shares issued by its subsidiary, SK Ecoplant Co., Ltd. Under this agreement, if SK Ecoplant Co., Ltd. fails to complete a qualified public offering by the IPO deadline, the Group has the right to request the investor to sell all of the preferred shares either directly or through a third party designated by the Group.

< SK Innovation Co., Ltd. and affiliates >

- 1) The subsidiaries SK Energy Co., SK Incheon Petrochemical Co., SK ON Co., and SK Geo Centric Co., Ltd. pay electricity and customs duties through B2B corporate contract contracts and national tax cards signed with some financial institutions, and pay the payment to the credit card companies at the end of the credit offering period under the agreement. As of the end of the current term, the related unpaid amount is ₩3,289,415 million, and it is classified as a full amount of current liabilities.

40. Commitments and contingencies (cont'd)

2) SK Innovation Co., Ltd., a subsidiary of the Group, sold its holdings (16,000,000 shares, 40%) of SK Enmove Co., Ltd., a subsidiary of SK Innovation Co., Ltd., to Eco Solution Holdings Co., Ltd. (the "investor") on July 30, 2021. The shareholder agreement between the Investor and the company, the largest shareholder of SK Enmove Co., Ltd. in event of selling the stake, includes the following key terms:

- Investor's Tag-along right and Co-Sale Process
- Investor's right to make decisions on dividend policies, under certain conditions
- The largest shareholder's right to request for sale of shares and Investor's right to demand the purchase of shares, under certain conditions
- Restriction on disposal of shares of the largest shareholder and investor under certain conditions, etc.

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)

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

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

40. Commitments and contingencies (cont'd)

Details of rights granted to investor are as follows:

Description	Conditions	Rights
Tag-along right	In the case of transferring all or part of the shares held by the largest shareholder	Investors may sell their own shares on the same conditions as the largest shareholder.
Drag-along right	When a qualified listing requiring certain conditions, such as 7.5% or higher IRR, is not completed within 4 years of agreement period (which can be extended twice by one year, respectively).	Investors may request the largest shareholder to sell its shares along with shares held by investors.
Put option	In the event of a serious violation of a specific obligation clause agreed with investors for a deliberate and malicious purpose	Investors may sell their own shares to the largest shareholder at the exercise price of the put option for the investment principal (₩2,809,351 million).

SK Innovation Co., Ltd., a subsidiary company, recognized ₩570,335 million in derivative financial instrument liabilities for the rights included in the shareholder's contract, such as the investor's Drag-Along right and the largest shareholder's call option.

- 4) The subsidiary, SK Innovation Co., Ltd., has entered into a PRS (Price Return Swap) agreement to settle the difference under certain conditions between the buyer of 18,031,337 shares of SK On Co., Ltd. as of September 30, 2024, in connection with the new stock acquisition agreement of its subsidiary SK On Co., Ltd. SK innovation Co., Ltd., a subsidiary, recognized derivative liabilities of ₩88,031 million under the above agreements.

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

- 5) SK Battery America Inc., a subsidiary, has signed a project agreement with Jackson County Industrial Development Authority and the Georgia Department of Economic Development (hereinafter referred to as "contract") to provide incentives such as property tax reduction. Under the contract, SK Battery America, Inc. transferred legal ownership of assets subject to property tax reduction to state agencies and received bonds issued by state agencies. The Group recognized the bonds and financial liabilities generated in the transaction as net amounts as they meet the offsetting criteria of K-IFRS No. 1032, and the amount of bonds and financial liabilities set off as of December 31, 2024 is USD 2,540 million, and the book value after offset is ₩0.

40. Commitments and contingencies (cont'd)

6) SK Geo Centric Co., Ltd., the subsidiary, has been granted the right to claim the sale of shares of Samyang Ecotec Co., Ltd. (here in after referred to as "joint venture ") from Samyang Packaging (here in after referred to as "strategic partner "). SK Geo Centric Co., Ltd., Ltd. has the right to claim the sale of 49% of the total number of issued shares of the joint venture held by the strategic partner to SK Geo Central Co., Ltd. or its affiliates designated by SK Geo Central Co., Ltd. if it is possible to transfer all or part of the shares of the joint venture without restriction, including any of the following reasons.

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

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

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

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

7) BlueOval SK, LLC, a subsidiary, entered into a Project Agreement (hereinafter referred to as the "Contract") with Hardin County and Kentucky (hereinafter referred to as the "State Authority") for the purpose of receiving incentives such as property tax reduction. Under the agreement, BlueOval SK, LLC transferred legal ownership of assets subject to property tax reduction to state agencies and received bonds issued by state agencies. The consolidated entity indicated that the bonds and financial liabilities arising from the transaction were offset because they met the offsetting criteria of K-IFRS No. 1032. As of the end of the current period, the amount of bonds and financial liabilities offset is USD 5,800 million, and the book value of bonds and financial liabilities after offset is ₩0.

40. Commitments and contingencies (cont'd)

- 8) SK On Co., Ltd., a subsidiary, has entered into the following agreement with Kia Corporation and Hyundai Motor Company (Korean won in millions):

	Type of debt	Currency	Committed Limit	Debt execution amount
Loan agreement	Long-term borrowings (*1)	KRW	2,000,000	1,656,617
Loan agreement	Long-term borrowings (*1,2)	KRW	977,500	468,053
Facility investment	Contract liabilities (*2,3,4)	KRW	692,900	230,200

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

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

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

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

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

	Currency	Amount of Investment Agreement	Cumulative Investments Amount	Remaining Investment Amount
MILLENNIUM NEW HORIZONS II, L.P.	USD	5,000	1,800	3,200

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

- 11) The commitment amount for the acquisition of property, plant, and equipment and intangible assets not yet incurred at the end of this period in the SK Innovation Group is ₩821,484 million.

SK Inc. and its subsidiaries
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40. Commitments and contingencies (cont'd)

12) As of December 31, 2024, the main contracts signed by SK Innovation Co., Ltd. and affiliates are as follows.

Contracting Parties	Details of contract	Counterparty	Contract period
Seven subsidiaries including KANGWON City Gas.co.,Ltd	Long-term natural gas supply and demand contract (*1)	Korea Gas Corporation	-
Busan Jungkwan Energy Co., Ltd.	Long-term natural gas supply and demand contract (*1)	Korea Gas Corporation	For 20 years from July 2008
SK Innovation Co., Ltd.	LNG Supply Agreement	Tangguh PSC Contractor Parties	2006.1 ~ 2026.12
	Gas turbine maintenance contract	GE International Inc.	2004.6 ~ 2026.12 (estimated)
	Natural gas storage and vaporization service contract	POSCO INTERNATIONAL	2005.6 ~ 2026.2
		Boryeong LNG Terminal Co., Ltd.	2020.7 ~ 2026.2
			For 20 years from 2017
			For 20 years from 2021
			For 20 years from 2023
	Lease contract for power plant and pylon site	POSCO	2003.8 ~ 2028.12
	Renewable Energy Certificate (REC) Sales Agreement	Godeok Green Energy Co., Ltd	For approximately 20 years from the date of conclusion of the contract
	Direct power transaction contract	SK specialty Co., Ltd. etc.	For 20 years from the time of supply
Paju Energy Service Co., Ltd.	Power supply contract	Dangjin Haengbok Solar Co., Ltd.	For 20 years from the time of supply
	Longterm Maintenance Program Contract	Siemens AG etc.	2014.6 ~ 2031.6 (estimated)
	Renewable Energy Certificate (REC) Sale Agreement	GeoGeum Solar Park Co., Ltd.	For about 15 years from 2018
	LTSA contract	Doosan Fuel Cell Co., Ltd.	10 years after the commencement of performance warranty
Narae Energy Service Co., Ltd.	Longterm Maintenance Program Contract	Siemens AG etc.	2015.1 ~ 2032.1 (estimated)
	Longterm Maintenance Program Contract	DOOSAN ENERBILITY CO., LTD.	2012.09 ~ 2030.09 (estimated)
	Driving and Maintenance Service Contracts	Jeonbuk co-generation, Gimcheon energy service Co.,Ltd.	2015.1 ~ 2025.1
Narae Energy Service Co., Ltd., Paju Energy Service Co., Ltd.	Long-term natural gas supply contract	Korea Gas Corporation	For 20 years from May 2015
	Renewable Energy Certificate (REC) Sale Agreement	K-Solar 2 Co., Ltd	For approximately 20 years from the date of conclusion of the contract
Narae Energy Service Co., Ltd., Paju Energy Service Co., Ltd.	Contract for the use of piping facilities	Korea Gas Corporation	For 20 years from 2017
	Natural gas storage and vaporization service contract	Boryeong LNG Terminal Co., Ltd.	For 20 years from 2017
Yeoju Energy Service	LTSA contract	Siemens Gas & Power Gmbh, Siemens Energy Ltd	2019.12 ~ 2047.12 (estimated)
	Contract for the use of piping facilities	Korea Gas Corporation	2022.11 ~ 2042.10
LNG Americas, Inc.	Contract for the use of manufacturing facilities	Korea Gas Corporation	2022.11 ~ 2042.10
	Renewable Energy Certificate (REC) Sale Agreement	SKNS solar power plant	2024.12 ~ 2044.11
	Natural gas liquefaction and storage service contract	FLNG Liquefaction 3, LLC.	For 20 years from 2020
	Natural Gas Pipeline Use Contract	Kinder Morgan, Inc.	For 20 years from 2020

SK Inc. and its subsidiaries
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40. Commitments and contingencies (cont'd)

Contracting Parties	Types of Borrowing	Details of contract	Counter party
PRISM ENERGY INTERNATIONAL PTE. LTD.	LNG Supply Agreement	SHELL EASTERN TRADING PTE LTD. etc.	2022.4 ~ 2033.3
	Long-term charter contract	SK SHIPPING CO., LTD	20 years from the date of ship delivery
SK E&S Australia Pty. Ltd.	LNG Supply Agreement	MET INTERNATIONAL AG Generadora San Felipe Limited Parternership	2024.4 ~ 2025.6 10 years from the commencement date
	FPSO contract	BW Offshore Singapore Pte. Ltd. (Australia Branch)	15 years from the commencement date of service delivery
	LNG liquefaction service contract	Darwin LNG Pty. Ltd. etc.	Contract signed on 2020.12 15 years from the date of service delivery (estimated)
Prism Energy International Zhoushan Limited	LNG storage and vaporization service contract	ENN (Zhoushan) LNG Co.,Ltd.	2020.7 ~ 2030.7
IGE Co., Ltd.	Liquid hydrogen facility management and operation contract	KOREA GAS TECHNOLOGY CORPORATION	2023.03 ~ 2029.08
	Liquefied Hydrogen Transport Contract	CJ Logistics Corporation	2023.11 ~ 2033.12

(*1) Each company has signed a 20-year LNG supply contract with the Korea Gas Corporation.

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

14) As of the end of the current year, the main purchase contract of the subsidiary of the SK Innovation Group is as follows (Korean won in millions):

Contracting party	Detail of contract	Counterparty	Contract period	Contract amount
Narae Energy Service Co., Ltd	Heat Piping Work etc.	Dreamline Corporation etc.	2023.11~2025.07	₩ 6,133

15) In addition, as of the end of the current year, the subsidiary of the SK Innovation Group is obligated to pay development costs equivalent to the equity ratio in relation to the asset acquisition contract below.

Contracting party	Detail of contract	Counterparty	Share ratio
SK E&S Australia Pty Ltd.	Australia's Barossa-Kaldita Gas Field Acquired	Santos NA Barossa Pty. Ltd.	37.50%
DewBlaine Energy, LLC	Acquisition of Woodford Gas Field, U.S.A	Continental Resources, Inc	49.90%
BU12 Australia Pty Ltd	Acquisition of stake of	Santos NA Darwin Pipeline Pty	25.00%
BU13 Australia Pty Ltd	Dongtimor Bayu-Undan gas field and Pipeline assets,	Ltd and others	
PRISM Darwin Pipeline Pty Ltd.,Prism DLNG Pte Ltd	DARWIN LNG PTY LTD		

40. Commitments and contingencies (cont'd)

< SK Telecom Co., Ltd. and affiliates >

- 1) Agents of SK Telecom Co., Ltd., a subsidiary of SK Telecom, are selling mobile communication terminals that customers use to use SK Telecom's communication services to customers. SK Telecom Co., Ltd. has signed a contract with the agency to comprehensively receive amortized bonds from Sale by amortization method. Meanwhile, SK Telecom Co., Ltd. is signing a Liquidated asset transfer contract with a company specializing in liquidity for the transferred amortized bonds. The balance of the terminal amortization bonds purchased by SK Telecom Co., Ltd. according to the above comprehensive transfer agreement is ₩241,962 million and ₩291,747 million, which are recorded in receivables and long-term receivables.
- 2) At the board of directors on July 22, 2022, SK Telecom Co., Ltd., a subsidiary of the company, decided to purchase and sell shares to strengthen strategic cooperation with Hana Financial Group. According to the decision, on July 27, 2022, SK Telecom Co., Ltd. sold all of its holdings in Hana Card Co., Ltd.'s common stock (39,902,323 shares) and all of its holdings in Fink Co., Ltd.'s common stock (6,370,000 shares) to Hana Financial Holdings Co., Ltd. for ₩330,032 million and ₩5,733 million, respectively. SK Telecom Co., Ltd. is obligated to purchase Hana Financial Holdings Co., Ltd.'s common stock from July 27, 2022, to January 31, 2024, after depositing ₩330,032 million in a specific money trust through an agreement with Hana Financial Holdings Co., Ltd., and completed the purchase during the period before last. Meanwhile, as part of the above transaction, on July 27, 2022, SK Telecom Co., Ltd. sold all of its holdings in SK Square Co., Ltd.'s common stock (767,011 shares) to Hana Card Co., Ltd. for ₩31,563 million. Hana Card Co., Ltd. deposited ₩68,437 million in a specific money trust and is obligated to purchase SK Telecom Co., Ltd.'s common stock from July 27, 2022, to January 31, 2024, and completed the purchase during the period before last. The shares acquired by SK Telecom Co., Ltd., Hana Financial Holdings Co., Ltd., and Hana Card Co., Ltd. cannot be sold until the end of March 2025.
- 3) SK Broadband Co., Ltd., the subsidiary, is entering into a Total Return Swap (TRS) with the beneficiaries of Aegis Specialized Investment Private Equity Real Estate Investment Trust No. 156 and Hana Alternative Investment Land Chip Private Equity Real Estate Investment Trust No. 62, respectively, and the beneficiary certificates of ₩270,000 million and ₩80,000 million issued by the Real Estate Fund as underlying assets. The settlement contract consists of the settlement of the difference according to the change in the value of the real estate at the expiration date of the contract and the settlement of the difference between the dividend and the standard dividend during the contract period. SK Broadband Co., Ltd. is obligated to guarantee the fixed rate of return to the counterparties of each settlement contract until the expiration of the contract. SK Broadband Co., Ltd. recognized the derived financial assets of ₩64,926 million (₩21,027 million as of December 31, 2023) by discounting the cash flows expected to occur in the settlement contract using the present value method.
- 4) Regarding the merger and acquisition transaction of SK Broadband Co., Ltd. that occurred before the previous period, SK Telecom Co., Ltd. entered into an agreement between the existing shareholders of the merged company and the shareholders. Based on this agreement, a share purchase agreement was signed on November 14, 2024, to acquire a 24.76% stake in SK Broadband Co., Ltd. for ₩1,145,870 million. SK Telecom Co., Ltd., as a subsidiary, determined that it currently holds ownership of the acquired stake in SK Broadband Co., Ltd. under the signed agreement and has accounted for it as an owned subsidiary interest.

40. Commitments and contingencies (cont'd)

- 5) SK Telecom Co., Ltd., a subsidiary, entered into a conditional new stock subscription agreement with Haegin Co., Ltd. before the previous period to acquire common shares issued by Haegin Co., Ltd. According to the agreement, SK Telecom Co., Ltd. may exercise the right to claim the issuance of new common shares of Haegin Co., Ltd. if certain conditions are met. As of the end of the current period, there is no remaining balance of related derivative financial assets.
- 6) During the current period, SAPEON Inc., a subsidiary, partially sold its shares in Rebellions Inc. (formerly SAPEON Korea Inc.). At the same time, SK Telecom Co., Ltd., also a subsidiary, entered into an equity swap agreement under which the buyer receives the difference between the sale price and the settlement amount upon the sale of the shares. As of the end of the current period, SK Telecom Co., Ltd. has recognized ₩2,689 million in derivative financial liabilities related to the equity swap agreement.

< SK Square Co., Ltd. and affiliates >

- 1) The subsidiary, SK Square Co., Ltd., was newly established for the purpose of managing and investing in investee companies related to semiconductors and new ICT among the businesses of SK Telecom Co., Ltd. prior to the spin-off, and pursuant to Article 530 9.1 of the Commercial Code, the parent company and SK Telecom Co., Ltd. are jointly and severally liable for the debts of SK Telecom Co., Ltd. prior to the spin-off.
- 2) The subsidiary entered into an agreement between the financial investor of One store Co., Ltd. and the new shareholder, according to which the Group could not avoid its obligation to purchase the equity instruments and recognized ₩148,404 million as long-term payables corresponding to the present value of the redemption amount.
- 3) In September 2018, the subsidiary entered into a shareholders' agreement with an investor of ₩500,000 million of convertible redeemable preferred shares issued by 11street Co., Ltd. (the "Target Company"). Pursuant to the agreement, the investor has the right to request that SK Square Co., Ltd. sell all of the shares of the Target Company owned by the investor together with the shares of the Target Company held by the investor if the listing process of the Target Company is not completed within the listing deadline (the "Together Sale Right"), and SK Square Co., Ltd. has the right to request that the investor sell all of the shares of the Target Company owned by the investor to SK Square Co., Ltd. (the "Share Sale Right") if the investor gives notice of the exercise of the Together Sale Right. As the listing deadline expired for the year ended December 31, 2024, but the listing process of the target company was not completed and SK Square Co., Ltd.'s right to sell the shares was not exercised, the process of exercising the investors' right to sell was in progress. The proceeds from the sale of the target company's shares pursuant to the exercise of the investors' right to sell together will be distributed in a waterfall manner in accordance with the shareholders' agreement, and the distribution to SK Square Co., Ltd. will be made after the investors' investment. As of December 31, 2024, the sale of the target company's shares and the timing of the completion of the sale cannot be reasonably estimated, and as of December 31, 2024, SK Square Co., Ltd. recognized a derivative financial liability totaling ₩321,374 million (December 31, 2023 : ₩289,208 million) for the rights included in the shareholders' agreement.

40. Commitments and contingencies (cont'd)

- 4) The subsidiary entered into an earn-out payment agreement with the seller upon the acquisition of 109,259 ordinary shares of Seoul Airbus Co., Ltd. The agreement stipulates that during the valid period, the seller will pay the agreed amount to the buyer based on the ratio of the passenger traffic at Incheon International Airport reaching the agreed benchmark indicator. For the year ended December 31, 2024, in accordance with the contract, a payment of ₩13,918 million was made to the seller. As of December 31, 2024, Tmap Mobility Co., Ltd. recognized a derivative financial liability of ₩14,703 million (December 31, 2023 : ₩27,016 million) based on the estimated future passenger traffic at Incheon International Airport under this agreement.
- 5) In connection with the capital increase of its subsidiary Tmap Mobility Co., Ltd., SK Square Co., Ltd. entered into a shareholders' agreement with the investors of the newly issued shares. Under the agreement, if certain conditions are not met after the capital increase, the investors in the newly issued shares may exercise the right to tender their shares of Tmap Mobility Co., Ltd.'s common stock held by SK Square Co., Ltd. If the investor exercises such right, SK Square Co., Ltd. may exercise its right to purchase the shares. As of December 31, 2024, SK Square Co., Ltd. recognized derivative financial liabilities totaling ₩128,467 million (December 31, 2023 : ₩89,698 million) for these rights included in the shareholders' agreement.
- 6) Tmap Mobility Co., Ltd., a subsidiary, entered into a share pledge agreement with the seller in connection with the acquisition of common shares of Airport Limousine Co., Ltd.. In order to secure any future obligations under the Share Purchase Agreement and the Shareholders' Agreement with Tmap Mobility Co., Ltd., the seller has set up a first priority security interest in shares equal to 20% of the total issued shares of Airport Limousine Co., Ltd..
- 7) SK Square Co., Ltd., a subsidiary, is provided as collateral for 55,320,816 common shares of Korea Security Holdings Co., Ltd., owned by Soteria Bidco SCSp, for other receivables of ₩450,000 million.
- 8) Under the shareholders' agreement entered into by SK Square Co., Ltd. with CJ ENM Co., Ltd. in November 2024, SK Square Co., Ltd. is required to sell bonds with a face value of ₩50,000 million to CJ ENM Co., Ltd. if certain conditions are met, out of the convertible bonds with a face value of ₩150,000 million issued by Content Wave Co., Ltd., an associate of SK Square Co., Ltd., and acquired by SK Square Co., Ltd., as per the agreement. Additionally, CJ ENM Co., Ltd. has the right to request SK Square Co., Ltd. to purchase convertible bonds up to ₩100,000 million if certain conditions are met. As of the end of the current period, SK Square Co., Ltd. has recognized a derivative financial liability of ₩29,063 million based on the best available information in the shareholders' agreement.

< SK Networks Co., Ltd. and affiliates >

- 1) SK Networks Co., Ltd., a subsidiary, is obligated to make additional contributions to the Alpha Intelligence Fund. As of end of the current period, the consolidated entity plans to make additional capital contributions in the amount of USD 49,549 thousand through a capital call.

40. Commitments and contingencies (cont'd)

- 2) The subsidiary, SK Networks Co., Ltd., is subject to disposal restrictions under certain conditions for its subsidiaries, POSK (Pinghu) Steel Processing Center Co., Ltd., SK MENA Investment B.V., and SK Latin America Investment S.A.; its associates, SVA Venture Fund II, SK Electlink Co., Ltd., Alpha Intelligence Private Equity Investment Limited Partnership, and Kindred HM1; as well as long-term investment securities, including Kurly Inc., Port One Holdings, Prostar Asia-Pacific Energy Infrastructure SK Fund L.P., and Hashed Venture Investment Association No. 2, among other fund products.
- 3) The subsidiary SK Networks has entered into agreements with its subsidiaries SK MENA Investment B.V., SK Latin America Investment S.A., and its affiliates EVERON CO.,LTD., BLOCKODYSEY CO.,LTD., SVE Venture Fund II, SK Electlink Co., Ltd., Upstage Co., Ltd., BMSMILE CO., LTD., and Kindred HM1 for preferential purchase rights and participation rights in equity investments. SK networks, a subsidiary, is obligated to respond to other shareholders' exercise of co-sale rights in accordance with the shareholders' agreement for its equity investments in MycoWorks, Standard AI (formerly Standard Cognition), Humane, Source.ag, and Sabanto.
- 4) SK Networks Co., Ltd., a subsidiary, holds a call option to purchase a portion of the equity in its affiliate Upstage Co., Ltd., BMSMILE CO., LTD. under certain conditions.

< SKC Co., Ltd. and affiliates >

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

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

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

40. Commitments and contingencies (cont'd)

- 2) When SKC Co., Ltd., a subsidiary, transferred its SiC wafer business to Paratus Investment Inc. (the "Buyer") in 2021, the Buyer granted SKC Co., Ltd. the right to require SKC Co., Ltd. to sell all of the outstanding shares of SPC (the company that operates the SiC wafer business) owned by the Buyer (a right that can be exercised if EBITDA does not meet certain conditions by 2025). In addition, SKC Co., Ltd. has the right to receive 40% of the excess sale proceeds from the buyer in the event of the buyer's sale of SPC shares to a third party, provided that the actual consideration received exceeds ₩75,000 million. As of December 31, 2024, SKC Co., Ltd. recognized derivative financial instrument assets of ₩9,049 million and derivative financial instrument liabilities of ₩8,355 million for these rights and obligations.
- 3) SKC Co., Ltd., a subsidiary, entered into an agreement with the transferor of the ATK business regarding the acquisition of the ATK business in 2020. According to the agreement, SKC Co., Ltd. is obligated to pay the transferor an amount equivalent to 30% of the operating profit generated from the ATK business twice a year, in the first and second halves of each year. As of the end of the current period, the outstanding amount under this agreement is ₩2,451 million.
- 4) As of the end of the current period, SKC Co., Ltd., a subsidiary, has entered into a capital support agreement with the Korea Development Bank and other lenders to provide financial support in the event of a shortfall in principal and interest repayment funds related to the subsidiary, SK Nexilis Co., Ltd.'s borrowings amounting to ₩185,000 million.
- 5) SK Nexilis Co., Ltd., a subsidiary, has granted a call option to acquire a portion of the land of SK Nexilis to Ascenta Sixth Floor Private Equity Limited Partnership, the transferee of the Thin Film Division, which is scheduled to be transferred.

< SK Ecoplant Co., Ltd. and affiliates >

- 1) SK Ecoplant Co., Ltd., a subsidiary, holds call options for non-controlling shareholders of Eco Frontier PTE.LTD.. If SK Ecoplant Co., Ltd. does not exercise the call option and non-controlling shareholders sell their stake to the outside, it has entered into a shareholder agreement to compensate for the difference between the call option exercise price and the actual external sale price.
- 2) SK Ecoplant Co., Ltd., a subsidiary, entered into an agreement with Eco Energy Holdings Co., Ltd., the buyer of SK ecoengineering Co., Ltd. redeemable convertible preferred shares, which was sold for the year ended December 31, 2022. If certain conditions are met in the future according to the agreement, Eco Energy Holdings Co., Ltd. may exercise the drag-along right for its redeemable convertible preferred stock.
- 3) SK Ecoplant Co., Ltd., a subsidiary, enters into an agreement between shareholders to compensate for the difference if certain conditions are not met for non-controlling shareholders of Econovation, LLC.
- 4) SK Ecoplant Co., Ltd., a subsidiary, issued exchangeable bonds based on shares of Renewon Co., Ltd. (formerly, Daewon Green Energy Co., Ltd.) during the prior period. According to the agreement between investors, SK Ecoplant Co., Ltd. has a call option and a preferential purchase right for the bonds, and the bond acquirer has a put option if certain conditions are not met and a right to claim compensation for the difference if certain conditions are not met.

40. Commitments and contingencies (cont'd)

- 5) In connection with the sale of preferred stocks RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement between shareholders to grant put options to investors if certain conditions are not met and to compensate for the difference when holding them until maturity.
- 6) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the financial shareholders of Renewenergy Chungbuk Co., Ltd. (formerly, Clenko Co., Ltd.). Under the agreement, financial shareholders may exercise their right to claim joint sale (Drag-along) on their shares.
- 7) SK Ecoplant Co., Ltd., a subsidiary, entered into agreements with financial investors of the I&K Youth Housing Private Real Estate Development Investment Company No. 1 and No. 2 (formerly DS Networks Youth Housing Private Real Estate Development Investment Company No. 1 and No. 2), Signature Youth Housing Private Real Estate Development Investment Company No. 1, K-Square Eco Songpa PFV, Yongin General Industrial Complex Co., Ltd., Smart Rail Co., Ltd., and Pohang Clear Water Road Co., Ltd., which were established in 2022. According to these agreements, the financial investors have the option to exercise a put option on their holdings with SK Ecoplant Co., Ltd.
- 8) SK Ecoplant Co., Ltd., a subsidiary, has entered into a PRS (share price return swap) agreement with Main Stream 19th Co., Ltd., the buyer of the Daehan 4 New Stay REIT Co., Ltd. stock sold for the year ended December 31, 2024, to settle the difference according to the terms and conditions.
- 9) SK Ecoplant Co., Ltd., a subsidiary, is obligated to fulfill the product purchase obligations under the fuel cell purchase agreement signed with Bloom Energy Corporation and is required to compensate for any loss of profits if it fails to meet the purchase obligations by 2027. However, the scope of the loss of profits is currently a matter of negotiation between the two companies, and the amount and timing of the outflow of resources cannot be reasonably estimated.
- 10) SK Ecoplant Co., Ltd., a subsidiary, has entered into an excess compensation payment contract regarding fuel cell performance guarantees with Korea East-West Power Co., Ltd. and 11 other companies (hereinafter referred to as "other companies"), and is obligated to pay within the limit of the payment cap for any compensation that exceeds the performance guarantee liability guaranteed by Bloom Energy Corporation to the other companies.
- 11) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the buyer to compensate for the difference if certain conditions are not met in relation to the sale of Ascend Elements, Inc.'s convertible preference shares.
- 12) SK Ecoplant Co., Ltd., a subsidiary, is obligated to compensate for any damages up to the construction amount if it violates the responsibility to complete the domestic fuel cell projects (total of 3 projects).

40. Commitments and contingencies (cont'd)

- 13) SK Ecoplant Co., Ltd., a subsidiary, has purchased income securities of the EIP PIS U.S. Solar Power Investment Trust No. 1 and No. 2, which are specialized investment vehicles for U.S. solar power investors. According to the investment contract, the total purchase amount of the income securities for the investment trust is USD 20,000 thousand, and the remaining contract amount will be paid based on the project stage.
- 14) SK Ecoplant Co., Ltd., a subsidiary, has entered into agreements with the financial investors of Gangneung Sacheon Fuel Cell Co., Ltd. and Chuncheon Green Energy Co., Ltd. According to the agreements, SK Ecoplant Co., Ltd. can exercise a put option on the shares it holds.

<Others>

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

Contractor	Contract Year/month	Transferred technology	Region	Amount(*1)
Arvelle Therapeutics International GmbH (*2)	2019 / 02	Cenobamate	Europe	USD 530,000
Ono Pharmaceutical Co., Ltd.	2020 / 10	Cenobamate	Japan	JPY 53,100,000
Ignis Therapeutics.	2021 / 11	6 New Drugs, including Cenobamate and others	China, Hongkong, Macao	USD 186,000
	2024 / 04	7 New Drugs, including non-narcotic pain medication and others	Worldwide	USD 58,000
Endo Ventures Limited	2021 / 12	Cenobamate	Canada	USD 20,000, CAD 21,000
DEXCEL LTD.	2022 / 05	Cenobamate	Israel, Palestine	USD 3,000
Eurofarma Laboratorios S.A	2022 / 07	Cenobamate	Latin america(*3)	USD 62,000
HIKMA MENA FZE	2022 / 08	Cenobamate	Middle East, North Africa(*4)	USD 3,000
Dong-A ST Co., Ltd	2024 / 01	Cenobamate	South Korea and others(*5)	KRW 19,000

(*1) The amount is upfront and milestone.

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

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

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

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

- 2) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a Limited Partner in the LifeSci Venture Partners II Fund in the United States. As of December 31, 2024, investments in the fund amount to USD 9,362,718.20 (investments in money: USD 8,217,818.20, revenue distributions reinvested: USD 1,144,900), and the investment period agreed between the parties has ended, but additional investments can be made up to USD 1,363,636.35 for subsequent investments in existing investments.
- 3) SK Biopharmaceuticals Co., Ltd., a subsidiary is participating as a limited partner in the LifeSci Venture Partners III fund in the U.S. The subsidiary has made a cash contribution of USD 1,412,383.26 up to December 31, 2024, and can make additional contributions of up to USD 6,587,616.74 for subsequent investments.

40. Commitments and contingencies (cont'd)

- 4) SK Biopharmaceuticals Co., Ltd., a subsidiary, entered into a Strategic Alliance Agreement with HIKMA MENA FZE in August 2023. As part of the agreement, SK Biopharm provided HIKMA MENA FZE with the right of first negotiation for technology transfer and product supply agreements (Product License Agreement) for its products approved for sale by the FDA or EMA in the Middle East and North Africa region. SK Biopharm received an upfront payment of USD 23,000,000. The upfront payment will be deducted from any costs HIKMA MENA FZE is obligated to pay to SK Biopharm under the technology transfer and product supply agreement. In the event of termination or suspension of the agreement, the remaining upfront payment will be refunded.
- 5) The agreement amount for the acquisition of intangible and tangible assets, which has not yet occurred as of December 31, 2024, for SK Siltron Co., Ltd., a subsidiary, is ₩530,430 million.
- 6) The subsidiaries Areca, Inc., Chamaedorea, Inc., and Tillandsia, Inc. acquired control over 8 Rivers Capital, LLC during the first half of the year and included its shares in the consolidation scope. The agreements signed during the share acquisition process include the following major agreements.
- Investor's claim for joint sale (Tag-along right)
 - Investor's request for joint sale (Drag-along right)
 - Restrictions on the disposal of shares by the largest shareholder and investors under certain conditions, etc

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

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

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40. Commitments and contingencies (cont'd)

(7) Hybrid bonds

Details of hybrid bonds as of December 31, 2024 and 2023 are as follows (Korean won in millions):

Issue segment	Description	Issuance date	Maturity date (*1)	Interest rate (%)	December 31, 2024	December 31, 2023
Group of SK Innovation Co., Ltd. (*2,3)	1st private equity bond type	2019.03.15	2049.03.15	4.20	₩ -	₩ 600,000
Group of SK Innovation Co., Ltd. (*2)	2nd public equity bond type	2023.10.19	2053.10.19	7.30	140,000	140,000
Group of SK Innovation Co., Ltd. (*2)	3rd private equity bond type	2024.03.07	2054.03.07	6.50	460,000	-
Group of SK Innovation Co., Ltd. (*2)	1st unsecured bonds with unsecured interest rights(private equity bond type)	2024.06.27	2054.06.27	6.42	500,000	-
Group of SK Innovation Co., Ltd. (*2)	3rd korean currency type	2020.07.14	2050.07.14	3.60	145,000	400,000
Group of SK Telecom Co., Ltd. (*2)	3rd public equity bond type	2023.06.05	2083.06.05	4.95	400,000	400,000
Group of SK Ecoplant Co., Ltd.	1st bearer unguaranteed exchange bond	2023.09.22	2053.09.22	-	323,650	323,650

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

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

(*3) SK Incheon Petrochemical Co., Ltd., a subsidiary, decided to exercise early redemption of the 1st private equity bond type hybrid bonds on January 16, 2024 and redeemed a total of ₩600 billion on March 15, 2024.

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

As of December 31, 2024, The bills and checks provided to financial institutions as collateral for borrowings as follows (Korean won in millions and except for number papers):

Type (bill/check)	Papers	Account
Blank check	88	₩ -
Blank notes	27	-
Check	4	37,905
Notes	2	792

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40. Commitments and contingencies (cont'd)

(9) Enforceable master netting agreement or similar agreement

Carrying amount of financial instruments recognized for which offset agreements are applicable as of December 31, 2024 and 2023 is as follows (Korean won in millions):

December 31, 2024			
	Gross financial Instruments recognized	Gross financial instruments offset	Net financial instruments presented in the consolidated statement of financial position
Financial assets:			
Trade receivables and other receivables	₩ 348,790	₩ (193,121)	₩ 155,669
Financial liabilities:			
Other payables and other liabilities	₩ 341,532	₩ (193,121)	₩ 148,411
December 31, 2023			
	Gross financial Instruments recognized	Gross financial instruments offset	Net financial instruments presented in the consolidated statement of financial position
Financial assets:			
Trade receivables and other receivables	₩ 323,477	₩ (200,231)	₩ 123,246
Financial liabilities:			
Other payables and other liabilities	₩ 286,834	₩ (200,231)	₩ 86,603

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41. Pledged assets

The following assets were pledged as collateral for the Group's borrowings and others as of December 31, 2024. (Korean won in millions and foreign currencies in thousands)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Netruck Co., Ltd.	Property, plant and equipment	KRW	₩ 2,388	₩ 630	Hyundai Engineering Co., Ltd.	Collateral for pledging
Won Poll Co., Ltd.	Property, plant and equipment	KRW	3,651	3,360	Shinhan Bank	Collateral for borrowing
Sino-Korea Green New Material (JiangSu) Ltd.	Right of use assets	KRW	3,226	3,277	Bank of China	Collateral for borrowing
SK GC Americas, Inc.	Bonds	KRW	7,240	5,000	Industrial Bank of Korea	Collateral for borrowing
SK On Co., Ltd.	Property, plant and equipment	KRW	391,270	397,900	Kia Corporation and Hyundai Motor Company	Loan agreement
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	-	1,048	Industrial Bank of Korea and others	Restricted real rights for office lease
Eleven Street Co., Ltd.	Short-term financial instruments	KRW	860	860	Galaxia Moneytree and others	Pledge establishment
Eleven Street Co., Ltd.	Debt instruments	KRW	1,500	1,500	Seoul Guarantee Insurance Company	Collateral for guarantee
Incross Co., Ltd.	Short-term financial instruments	KRW	27,167	27,167	Naver Co., Ltd. and others	Performance guarantees
ONE Store Co., Ltd.	Investment property, short-term financial instruments	KRW	2,264	2,262	Shinhan Bank, Suhyup Bank	Collateral for borrowing and FX guarantee
SK Networks Co., Ltd.	Property, plant and equipment	KRW	280,897	392,289	Korea Development Bank	Collateral for sales
SK Magic Co., Ltd.	Property, plant and equipment	KRW	95,422	96,000	Korea Development Bank and others	Collateral for borrowing
EN-CORE CO., LTD.	Debt instruments	KRW	219	219	Korea Software Financial Cooperative	Collateral for guarantee
SK ENPULSE Co., Ltd.	Property, plant and equipment and others	KRW	19,049	30,477	Shinhan Bank and others	Collateral for borrowing
SK nexilis Co., Ltd.	Property, plant and equipment	KRW	308,492	222,000	Korea Development Bank and others	Collateral for borrowing
Nexilis Management Europe B.V.	Investments in subsidiaries	KRW	522,940	522,940	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	27,834	33,600	Korea Development Bank	Collateral for borrowing
SK Innovation Co., Ltd. (formerly, SK E&S Co., Ltd) (*2)	Investments in associates	KRW	844,514	844,514	PF lenders	Collateral for PF
		USD	10,545	14,000	Bangkok Bank Public Company Limited	Collateral for PF
		VND	10,884	1,156,000	Joint Stock Commercial Bank for Foreign Trade of Vietnam	Collateral for PF
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	938,814	360,000	Kookmin Bank and others	Facility loan collateral
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	3,792	81	LG HelloVision Corp.	Pledge for leasehold deposit
Narae Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	482,485	505,000	Korea Development Bank and others	Collateral for borrowing
Yeoju Energy Service Co., Ltd.	Property, plant and equipment	KRW	883,678	601,200	Korea Development Bank and others	Collateral for borrowing

SK Inc. and its subsidiaries
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41. Pledged assets (cont'd)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Busan Jungkwan Energy Co., Ltd.	Property, plant and equipment	KRW	100,845	105,800	NH Bank and others	Facility loan collateral
IGE Co., Ltd.	Property, plant and equipment and others	KRW	123,594	493,800	Korea Development Bank	Collateral for PF
Yeongnam Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	6,344	8,664	Industrial Bank of Korea	Collateral for borrowing
SK Ecoplant Co., Ltd.	Debt instruments and others	KRW	29,105	29,105	Kookmin Bank and others	Collateral for borrowing and others
	Investments in associates and others	KRW	1,897,231	1,897,231	Korea Development Bank and others	Collateral for borrowing
Seongju Tech Co., Ltd.	Property, plant and equipment	KRW	23,826	18,000	Suhyp Bank and others	Collateral for PF
Renewenergy Chungnam Co., Ltd.	Property, plant and equipment	KRW	10,418	3,000	Korea Development Bank	Collateral for borrowing
Renewone Co., Ltd.	Investments in associates and others	KRW	559,529	2,764	KEB Hana Bank and others	Collateral for borrowing
Renewenergy Green Co., Ltd.	Property, plant and equipment	KRW	19,693	9,600	Korea Development Bank	Collateral for borrowing
Renewland Cheongju Co., Ltd.	Property, plant and equipment	KRW	8,241	10,800	Kyongnam Bank	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	958,875	300,980	KEB Hana Bank and others	Collateral for borrowing and others
	Debt instruments	KRW	9,064	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	266,250	85,200	KEB Hana Bank and others	Insurance pledge and others
RenewUs Co., Ltd.	Property, plant and equipment	KRW	28,978	123,160	KEB Hana Bank and others	Collateral for borrowing and others
	Investments in subsidiaries	KRW	311,126	88,700	KEB Hana Bank and others	Collateral for borrowing and others
	Equity instruments	KRW	10,644	110,323	Woori Bank and others	Collateral for borrowing and others
	Others	KRW	1,753,182	1,710,376	KEB Hana Bank and others	Pledge and others
Renewenergy Chungbuk Co., Ltd.	Property, plant and equipment	KRW	130,853	60,000	KEB Hana Bank and others	Collateral for borrowing and others
	Others	KRW	79,210	96,000	KEB Hana Bank and others	Comprehensive insurance pledge
Renewenergy Metro Co., Ltd.	Property, plant and equipment	KRW	1,572	771	Woori Bank	Collateral for borrowing
Eco Frontier (Singapore) Pte. Ltd.	Investments in subsidiaries	KRW	1,512,656	1,512,656	Korea Development Bank and others	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Investment property	USD	455,903	1,600,000	Bank of China communications	Collateral for borrowing

SK Inc. and its subsidiaries
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41. Pledged assets (cont'd)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
SK Specialty Co., Ltd.	Property, plant and equipment	KRW	55,000	138,668	Korea Development Bank and others	Collateral for borrowing
		USD		3,500	Korea Development Bank	Collateral for borrowing
		JPY		3,690	Korea Development Bank	Collateral for borrowing
	Short-term financial instruments	KRW	-	60	KODIT 2022-9 Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	-	75	KODIT 2022-10 Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	-	165	KODIT Global 2022-1 Securitization Specialty Co., Ltd.	Collateral for borrowing
SK Specialty Japan Co., Ltd.	Property, plant and equipment	JPY	138,488	315,000	MUFG Bank	Collateral for borrowing
SK Materials Airplus Co., Ltd.	Property, plant and equipment	KRW	359,413	195,000	Shinhan Bank and others	Collateral for borrowing
SK Resonac Corporation.	Property, plant and equipment	KRW	28,005	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	16,428	90	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment	KRW	1,037,511	408,700	Korea Development Bank and others	Collateral for borrowing
	Property, plant and equipment and others	USD	1,013,444	1,073,944	Korea Development Bank and others	Collateral for borrowing
SK Materials Group 14 Co., Ltd.	Others	KRW	8,031	8,031	KEB Hana Bank and five other banks	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	64	120,000	Korea Development Bank	Collateral for facility loan and overseas guarantee
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	4,696	3,840	Suwon-Hwaseong-Osan Livestock Cooperative	Collateral for borrowing
Evertch Enterprise Co., Ltd.	Property, plant and equipment	KRW	7,761	6,360	Industrial Bank of Korea	Collateral for borrowing
SK Signet Inc.	Property, plant and equipment	KRW	48,298	25,944	Korea Development Bank and others	Collateral for borrowing
SK Powertech Co., Ltd.	Property, plant and equipment	KRW	34,000	40,800	Korea Development Bank and others	Collateral for borrowing
SK Tri Chem Co., Ltd.	Property, plant and equipment	KRW	5,472	3,692	Sejong City Government	Collateral for Local Investment Promotion Subsidy Support

(*1) The acquisition cost or carrying amount of securities provided as collateral for project financing (PF) loans and facility borrowings is included.

(*2) For the year ended December 31, 2024, SK Innovation Co., Ltd. merged with SK E&S Co., Ltd. through an absorption-type merger.

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41. Pledged assets (cont'd)

The following assets were pledged as collateral for the Group's borrowings and others as of December 31, 2023 (Korean won in millions and foreign currencies in thousands)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Netruck Co., Ltd.	Property, plant and equipment	KRW	₩ 6,271	₩ 1,430	Hyundai Engineering and others	Collateral for pledging
Won Poll Co., Ltd.	Property, plant and equipment	KRW	3,704	3,360	Shinhan Bank	Collateral for borrowing
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	-	1,228	Industrial Bank of Korea	Restricted real rights for office lease
Incross Co., Ltd.	Financial instrument	KRW	22,084	22,084	Naver Co., Ltd. and others	Performance guarantees for contract
One store Co., Ltd.	Investment property	KRW	621	612	Shinhan Bank	Collateral for borrowing
SK Networks Co., Ltd.	Property, plant and equipment	KRW	287,700	390,718	Korea Development Bank	Collateral for sales
SK Magic Co., Ltd.	Property, plant and equipment	KRW	95,423	96,000	Korea Development Bank and others	Collateral for borrowing
SK Rent-a-Car Co., Ltd.	Property, plant and equipment	KRW	211,183	234,542	Korea Development Bank and others	Collateral for borrowing
	Debt instrument	KRW	215	-	Korea Software Financial Corporation	Collateral for guarantee
		KRW	-	300	Kodit 2022 the 5 th Securitization Specialty Co., Ltd.	Collateral for borrowing
	Financial instrument	KRW	-	300	Kodit Global 2022-1 Co., Ltd.	Collateral for borrowing
SK ENPULSE Co., Ltd.	Property, plant and equipment	KRW	16,385	32,500	Shinhan Bank and others	Collateral for borrowing
SK Pucore Co., Ltd.	Property, plant and equipment	KRW	72,479	100,000	Korea Development Bank and others	Collateral for borrowing
ISC Co., Ltd.	Property, plant and equipment	KRW	20,314	21,920	Korea Development Bank and others	Collateral for borrowing
SKCFTH Co., Ltd.	Investments in subsidiaries	KRW	1,541,151	828,000	Korea Development Bank and others	Collateral for borrowing
SK Nexilis Co., Ltd.	Property, plant and equipment	KRW	331,994	396,000	Korea Development Bank and others	Collateral for borrowing
	Investments in subsidiaries	KRW	240,570	240,570	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	30,858	33,600	Korea Development Bank	Collateral for borrowing
SK Nexilis Poland sp.z o.o.	Others	PLN	38,187	38,187	Crédit Agricole	Performance payment guarantees
		KRW	470,000	470,000	Korea Development Bank and others	Collateral for PF
SK Innovation Co., Ltd. (formerly, SK E&S Co., Ltd) (*2)	Investments in subsidiaries	VND	1,156,600,000	1,156,600,000	Joint Stock Commercial Bank For Foreign Trade of Vietnam	Collateral for PF
	Investments in joint ventures	KRW	203,544	203,544	Korea Development Bank and others	Collateral for PF
		USD	14,000	14,000	BANGKOK BANK PUBLIC COMPANY LIMITED	Collateral for PF
		VND	1,102,500,000	1,102,500,000	Joint Stock Commercial Bank For Foreign Trade of Vietnam	Collateral for PF
	Investments in associates	KRW	26,485	26,485	Industrial Bank of Korea and others	Collateral for PF
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	1,015,873	360,000	Kookmin Bank and others	Collateral for borrowing
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	3,980	81	LG Hello Vision Co., Ltd.	Collateral for deposits received
Narae Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	502,901	505,000	Korea Development Bank and others	Collateral for borrowing

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41. Pledged assets (cont'd)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Yeosu Energy Service Co., Ltd.	Property, plant and equipment	KRW	930,260	601,200	Korea Development Bank and others	Collateral for PF
Busan Jungkwan Energy Co., Ltd.	Property, plant and equipment	KRW	102,868	100,800	NH Bank and others	Collateral for borrowing
IGE Co., Ltd.	Property, plant and equipment and others	KRW	98,164	493,800	Korea Development Bank	Collateral for PF
SK Ecoplant Co., Ltd.	Debt instrument	KRW	33,253	28,241	CAPE Investment & Securitie Co., Ltd. and others	Collateral for borrowing and others
	Investments in subsidiaries and others	KRW	1,218,810	1,218,810	Korea Development Bank and others	Collateral for borrowing
Seongju Tech Co., Ltd.	Others	KRW	6,804	10,206	Woori Bank	Collateral for borrowing
Renewenergy Chungnam Co., Ltd.	Property, plant and equipment	KRW	12,139	3,000	Korea Development Bank	Collateral for borrowing
Renewone Co., Ltd.	Property, plant and equipment	KRW	564,421	155,541	Korea Development Bank	Collateral for borrowing
Renewenergy Green Co., Ltd.	Property, plant and equipment	KRW	19,693	9,600	Korea Development Bank	Collateral for borrowing
Renewland Cheongju Co., Ltd.	Property, plant and equipment	KRW	8,525	-	Kyungnam Bank	Collateral for borrowing
DY INDUS Co., Ltd.	Property, plant and equipment	KRW	3,706	6,222	Industrial Bank of Korea	Collateral for borrowing
DY POLYMER Co., Ltd.	Property, plant and equipment	KRW	10,208	5,800	Industrial Bank of Korea and others	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	1,032,349	274,580	Industrial Bank of Korea and others	Collateral for borrowing and others
	Financial instrument	KRW	5,000	5,000	Industrial Bank of Korea and others	Collateral for borrowing and others
	Debt instrument	KRW	9,064	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
Environment Management Corporation Co., Ltd	Others	KRW	252,759	85,198	Seoul Guarantee Insurance	Insurance pledge and others
	Property, plant and equipment	KRW	13,760	16,720	KEB Hana Bank and others	Collateral for borrowing and others
	Investments in associates	KRW	389,817	540,158	KEB Hana Bank and others	Collateral for borrowing and others
	Investment securities	KRW	152,373	116,672	Korea Development Bank and others	Collateral for borrowing and others
Renewenergy Chungbuk Co., Ltd.	Others	KRW	1,680,565	1,736,798	KEB Hana Bank and others	Collateral for pledging and others
	Property, plant and equipment	KRW	18,179	60,000	KEB Hana Bank and others	First beneficiary right of trust property
	Others	KRW	49,125	60,000	KEB Hana Bank and others	Comprehensive property insurance right
SKEC Nanjing Co., Ltd.	Financial instrument	KRW	30,200	167	Bank of China communications	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Investment property	CNY	3,379,460	1,600,000	Bank of China communications	Collateral for borrowing

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41. Pledged assets (cont'd)

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
SK Specialty Co., Ltd.	Property, plant and equipment	KRW	55,000	137,000	Korea Development Bank	Collateral for borrowing
		USD	-	3,690,000	Korea Development Bank	Collateral for borrowing
		JPY	-	3,500,000	Korea Development Bank	Collateral for borrowing
	Financial instrument	KRW	849	1,668	Yeongju city and Gyeongsang Buk-do	Government subsidy
		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
SK Specialty Japan Co., Ltd.	Property, plant and equipment	KRW	-	165	Kodit Global 2022-1 Co., Ltd.	Collateral for borrowing
		JPY	141,024	315,000	MUFG Bank	Collateral for borrowing
		KRW	417,901	208,200	Shinhan Bank and others	Collateral for borrowing
SK Materials Airplus Inc.	Property, plant and equipment	KRW	7,343	3,692	Sejong City	Local investment promotion subsidy support collateral
SK Tri Chem Co.,Ltd	Property, plant and equipment	KRW	7,343	3,692	Sejong City	Local investment promotion subsidy support collateral
SK Resonac Corporation	Property, plant and equipment	KRW	32,149	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	16,338	65	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment and others	KRW	741,733	679,269	Korea Development Bank and others	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	96,654	120,000	Korea Development Bank	Collateral for borrowing
SK REITs Co., Ltd.	Investment property	KRW	1,560,972	425,306	The lender and the lessor	Collateral for borrowing
Clean Energy REITs Co., Ltd.	Investment property	KRW	781,611	555,553	The lender and the lessor	Collateral for borrowing
SK South East Asia Investment Pte. Ltd.	Financial instrument	VND	124	3,000,000	ADB and Vietcombank	Collateral for borrowing and others
TOTAL VALUE 1 REIT CO., LTD.	Investment property	KRW	658,704	305,989	The lender and the lessor	Collateral for borrowing
Clean Industrial Reit Co., Ltd.	Investment property	KRW	1,174,906	976,498	The lender and the lessor	Collateral for borrowing
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	4,696	3,840	SuwonHwaseongOsan Livestock Cooperative	Collateral for borrowing
Topsun Co.,Ltd.	Property, plant and equipment	KRW	13,706	12,600	KEB Hana Bank	Collateral for borrowing
		KRW	240	264	Industrial Bank of Korea	Collateral for borrowing
	Financial instrument	KRW	-	4,200	Korea Development Bank and others	Collateral for borrowing
	Others	KRW	-	4,200	Korea Development Bank and others	Collateral for borrowing
Evertch Enterprise Co., Ltd	Investment securities	KRW	998	850	Electric Contractors' Financial Cooperative	Collateral for borrowing
		KRW	3,285	6,360	Industrial Bank of Korea	Collateral for borrowing
Evertch Enterprise Co., Ltd	Property, plant and equipment	KRW	3,285	6,360	Industrial Bank of Korea	Collateral for borrowing
		KRW	3,285	6,360	Industrial Bank of Korea	Collateral for borrowing

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

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42. Deposits restricted in use

Deposits restricted in use as of December 31, 2024 and 2023 are as follows (Korean won in millions):

Account	Classification	Institution	December 31, 2024	December 31, 2023	Description of restriction
Cash and cash equivalents	Ordinary deposits and others	KDB and others	₩ 581,374	₩ 18,174	Pledge and others
Short-term financial instruments	Mutual growth fund deposits and others	Industrial Bank of Korea and others	383,658	468,386	Deposits for mutual growth funds and others
Long-term financial instruments	Time deposits and others	Woori Bank and others	42,402	51,905	Pledge and others
Others	Refund guarantee deposits and others	Korea Software Financial Cooperative and others	4,075	4,979	Deposits and others

43. Financial risk management

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

(1) Financial risk management

Risk management policy

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

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.

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43. Financial risk management (cont'd)

(2) Credit risk

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

1) The carrying amount of a financial asset, measured at amortised cost, represents the maximum exposure to credit risk. The maximum exposure to credit risk as of December 31, 2024 and 2023 is as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Financial assets measured at FVTPL(*1)	₩	3,839,784	₩	8,898,332
Financial assets measured at FVOCI		252,832		215,670
Financial assets measured at amortized cost(*1)		19,623,429		38,050,733
Financial assets designated as hedging instruments		741,600		408,547
	₩	<u>24,457,645</u>	₩	<u>47,573,282</u>

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

On the other hand, the Group has provided payment guarantees for others including related parties, associates and others. The Group, due to its payment guarantees, is exposed to credit risk (See Note 40).

2) Changes in the loss allowance on trade receivables and others for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024				
	Beginning balance	Impairment	Write-off	Others	Ending balance
Trade receivables	₩ 526,778	₩ 101,545	₩ (49,710)	₩ (37,716)	₩ 540,897
Other receivables	496,513	118,362	(9,976)	(476)	604,423
	₩ 1,023,291	₩ 219,907	₩ (59,686)	₩ (38,192)	₩ 1,145,320

	December 31, 2023				
	Beginning balance	Impairment	Write-off	Others	Ending balance
Trade receivables	₩ 796,511	₩ 20,628	₩ (304,386)	₩ 14,025	₩ 526,778
Other receivables	652,750	21,266	(176,682)	(821)	496,513
	₩ 1,449,261	₩ 41,894	₩ (481,068)	₩ 13,204	₩ 1,023,291

3) The details of overdue or impairment financial assets for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024						
	Normal bond (non-past due and unimpaired receivables)	Past due but unimpaired receivables				Individual impaired bonds	Total
		Less than one month	One~three months	Three~six months	More than six months		
Trade receivables	₩ 10,485,516	₩ 1,495,773	₩ 460,402	₩ 853,843	₩ 688,890	₩ 612,530	₩ 14,596,954
Other receivables	4,554,408	156,822	98,523	345,097	659,917	477,007	6,291,774
Total	₩ 15,039,924	₩ 1,652,595	₩ 558,925	₩ 1,198,940	₩ 1,348,807	₩ 1,089,537	₩ 20,888,728

	December 31, 2023						
	Normal bond (non-past due and unimpaired receivables)	Past due but unimpaired Receivables				Individual impaired bonds	Total
		Less than one month	One~three months	Three~six months	More than six months		
Trade receivables	₩ 11,713,378	₩ 1,331,499	₩ 259,611	₩ 120,728	₩ 968,603	₩ 557,789	₩ 14,951,608
Other receivables	5,543,640	58,006	46,777	67,375	533,400	377,258	6,626,456
Total	₩ 17,257,018	₩ 1,389,505	₩ 306,388	₩ 188,103	₩ 1,502,003	₩ 935,047	₩ 21,578,064

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43. Financial risk management (cont'd)

4) Guarantees

SK Ecoplant Co., Ltd., one of the subsidiaries, offers payment guarantees for loans of project financing. The financing liabilities related to the payment guarantees recognized are ₩30,287 million as of December 31, 2024. The Group recognizes the financial guarantee liabilities related to the payment guarantees contracted with the Group, such as SK Ecoplant Co., Ltd., as of December 31, 2024 and 2023 (Korean won in millions).

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
SK Innovation Co., Ltd.	₩ 943	₩ 1,548
SK Ecoplant Co., Ltd.	30,287	26,833
SK Biotek Co., Ltd.	194	180
	<u>₩ 31,424</u>	<u>₩ 28,561</u>

In addition, the Group has provided payment guarantees for others, including subsidiaries and others. (See Notes 36 and 40).

5) Other financial assets

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

43. Financial risk management (cont'd)

(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 Group participates in supplier financing arrangements to streamline the payment process to suppliers and offer early payment terms compared to the standard trade payable settlement period. Under this arrangement, the consolidated entity centralizes its financial liabilities owed to individual suppliers through the bank. From the perspective of the consolidated entity, this arrangement does not result in a significant extension of the payment period compared to the normal payment terms for other suppliers who do not participate in the supplier financing arrangement. (See note 6.(2))

The contractual maturity of financial liabilities as of December 31, 2024 and 2023 are as follows. The amount includes interest payments and does not include the effect of the offsetting agreement. (Korean won in millions):

	December 31, 2024				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Borrowings	₩ 9,933,821	₩ 25,162,532	₩ 20,630,233	₩ 8,625,350	₩ 64,351,936
Bonds	3,742,809	11,236,004	31,911,852	3,936,096	50,826,761
Derivative financial liabilities	175,783	226,493	920,506	-	1,322,782
Trade payables	11,458,460	1,294,469	-	-	12,752,929
Lease liabilities	276,088	875,782	2,893,773	2,416,472	6,462,115
Other liabilities	11,301,710	3,736,419	912,314	260,366	16,210,809
Guarantee contracts	4,181,905	-	-	-	4,181,905
	₩ 41,070,576	₩ 42,531,699	₩ 57,268,678	₩ 15,238,284	₩ 156,109,237

	December 31, 2023				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Borrowings	₩ 5,434,323	₩ 17,567,983	₩ 16,025,810	₩ 2,180,577	₩ 41,208,693
Bonds	3,349,003	6,393,808	28,501,169	6,367,486	44,611,466
Derivative financial liabilities	28,243	50,412	1,161,075	-	1,239,730
Trade payables	11,407,027	1,542,375	-	-	12,949,402
Lease liabilities	148,571	1,127,097	2,810,328	2,535,728	6,621,724
Other liabilities	9,858,179	3,566,993	2,121,281	278,352	15,824,805
Guarantee contracts	3,831,071	-	310,000	-	4,141,071
	₩ 34,056,417	₩ 30,248,668	₩ 50,929,663	₩ 11,362,143	₩ 126,596,891

(4) Market risk

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

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43. Financial risk management (cont'd)

1) Foreign currency risk

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

Details of significant monetary assets and liabilities denominated in foreign currencies as of December 31, 2024 and 2023 are as follows (Korean won in millions, and foreign currencies in thousands):

	Currency	December 31, 2024		December 31, 2023	
		Korean won equivalent	Foreign currencies	Korean won equivalent	Foreign currencies
Assets	USD	₩ 15,253,310	10,376,401	₩ 13,652,918	10,588,582
	JPY	118,047	12,605,381	136,740	14,982,526
	CNY	163,054	810,125	405,872	2,244,373
	EUR	264,305	172,891	493,118	345,662
	Others	167,099		567,599	
Liabilities	USD	₩ 20,152,622	13,709,266	₩ 18,761,399	14,550,488
	JPY	91,364	9,756,076	110,461	12,103,149
	CNY	1,232,054	6,121,401	1,155,280	6,388,412
	EUR	301,137	196,985	516,635	362,147
	Others	589,968		370,462	

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

Currency	December 31, 2024		December 31, 2023	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (360,589)	₩ 360,589	₩ (375,984)	₩ 375,984
JPY	1,964	(1,964)	1,934	(1,934)
CNY	(78,678)	78,678	(55,156)	55,156
EUR	(2,711)	2,711	(1,731)	1,731
Others	(31,123)	31,123	14,509	(14,509)

The Group is hedging currency risk by using derivative financial instruments such as currency swaps, currency forwards and others (See Note 23).

43. Financial risk management (cont'd)

2) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Group manages its interest rate risk by maintaining a balanced portfolio of fixed and variable rate loans and borrowings. The Group's risk hedging activities are evaluated periodically to consider the status of interest rates and degree of risk aversion and fulfill optimal risk hedging strategies.

Significant assets and liabilities exposed to interest rate risk as of December 31, 2024 and 2023 are as follows (Korean won in millions):

	Interest rate type	December 31, 2024
Bonds	Variable	₩ 471,000
Borrowings	Variable	18,503,253
Long-term other payables	Variable	921,075
	Interest rate type	December 31, 2023
Bonds	Variable	₩ 386,820
Borrowings	Variable	10,244,412
Long-term other payables	Variable	1,344,572

All other variable are constant and the impact of a 1%p change in interest rate on net income before income tax for the ended December 31, 2024 and 2023 is as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Currency	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Profit before income tax	₩ (198,953)	₩ 198,953	₩ (119,758)	₩ 119,758

3) Crude oil and petroleum product price risk

Crude oil and petroleum product price risk is the risk that profit or cash flow may fluctuate because of changes in international market prices of crude oil and petroleum products. The Group manages this risk and aims to maintain stable margins by entering into fixed-price supply contracts or using derivative instruments. However, the Group is exposed to the risk of fluctuations in the fair value of these derivatives as of the reporting date, depending on changes in international prices. Nevertheless, the changes in fair value of derivatives may offset the volatility in operating profit, and the price risk of crude oil and petroleum products is considered to be appropriately controlled.

4) Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments may fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk. The Group's investment securities are exposed to such price risk.

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43. Financial risk management (cont'd)

(5) Capital risk management

The fundamental goal of capital management is to keep a sound financial structure. The Group is using the debt ratio, calculated as total debt divided by total amount of capital, as an indicator of capital management. The Group maintains a debt ratio of 167.6% as of December 31, 2024. The maturity of the debt is dispersed in the long term; so, debt-repayments are not demanding.

The Group's debt ratio as of December 31, 2024 and 2023 is as follows (Korean won in millions):

	December 31, 2024		December 31, 2023	
Total liabilities	₩	134,690,218	₩	129,091,214
Total equity		80,287,536		77,879,050
Debt ratio		167.8%		165.8%

44. Greenhouse Gas Emissions and Emissions Liabilities

(1) The quantity of free allocation emission rights for each year of implementation in the third planned period (2021-2025) is as follows (in tCO₂-eq):

	2023	2024	2025	Total
Free-allocated emission rights	25,254,906	27,874,409	27,725,024	80,854,339

(2) Changes in the quantity of emission rights held for the purpose of performing obligations and the carrying amount as of December 31, 2024 and 2023 are as follows (in tCO₂-eq and Korean won in millions):

	December 31, 2024									
	2023		2024		2025		Total			
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Beginning balance	25,970,640	₩ 3,368	27,874,409	₩ -	27,725,024	₩ -	81,570,073	₩	3,368	
Carried forward from prior year	1,280,699	1,568	3,452,299	5,326	-	-	4,732,998	₩	6,894	
Purchase (disposal)	(993,358)	6,969	(2,878,856)	7,104	(169,238)	-	(4,041,452)	₩	14,073	
Government submission	(22,935,853)	(6,568)	-	-	-	-	(22,935,853)	₩	(6,568)	
Carried forward to subsequent year	(3,452,299)	(5,328)	-	-	-	-	(3,452,299)	₩	(5,328)	
Others	442,881	(9)	145,270	1,426	5,031	-	593,182	₩	1,417	
Ending balance	312,710	₩ -	28,593,122	₩ 13,856	27,560,817	₩ -	56,466,649	₩	13,856	

	December 31, 2023									
	2022		2023		2024 ~ 2025		Total			
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Beginning balance	24,169,622	₩ -	24,371,388	₩ -	54,447,361	₩ -	102,988,371	₩	-	
Carried forward from prior year	1,761,666	2,139	2,592,341	387	-	-	4,354,007	₩	2,526	
Purchase (disposal)	(1,460,983)	8,395	(257,757)	1,863	-	-	(1,718,740)	₩	10,258	
Government submission	(22,007,176)	(8,615)	(1,904,976)	(1,566)	-	-	(23,912,152)	₩	(10,181)	
Carried forward to subsequent year	(2,592,341)	(387)	-	-	-	-	(2,592,341)	₩	(387)	
Others	129,212	(1,532)	(384,020)	4,125	-	-	(254,808)	₩	2,593	
Ending balance	-	₩ -	24,416,976	₩ 4,809	54,447,361	₩ -	78,864,337	₩	4,809	

Meanwhile, as of December 31, 2024, there are no emission rights provided as collateral and no emission rights held for gains on trading.

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44. Greenhouse Gas Emissions and Emissions Liabilities (cont'd)

(3) Changes in the emission liabilities for the years ended December 31, 2024 and 2023 are as follows (Korean won in millions):

	December 31, 2024				
	Beginning balance	Increase	Decrease	Other	Ending balance
Emission liabilities	₩ 7,819	₩ 10,291	₩ (7,596)	₩ 100	₩ 10,614

	December 31, 2023				
	Beginning balance	Increase	Decrease	Other	Ending balance
Emission liabilities	₩ 8,467	₩ 9,710	₩ (10,108)	₩ (250)	₩ 7,819

(4) The estimated amount of greenhouse gas emissions for the year ended December 31, 2024 is 22,750,140 tonnes (tCO₂-eq).

45. Business combination

(1) As of December 31, 2023 details of business combination are as follows.

	December 31, 2023				
	SK ECOENGINEERING CO., LTD.	8 Rivers Capital LLC	Evertech Enterprise Co., LTD.	Topsun Co.,Ltd.	Renewenergy Chungbuk Co., Ltd.
Description of the acquiree	Construction of civil engineering facilities	Clean Energy Business	Material parts manufacturing and sales business	Solar module manufacturing, solar power generation system design and construction, Solar power generation business	Waste incineration business
Date of acquisition	2023.04.01	2023.04.30	2023.05.17	2023.06.30	2023.07.31
Shareholdings ratio(%) with acquired voting rights	52.65	51.57	95.40	19.69	100
Main reason for business combination	Expansion of civil engineering facilities construction project	Securing technology and expanding business	Securing technology and expanding business	Expansion of business such as manufacturing solar modules	Expansion of waste incineration business
Description of the method of acquiring the acquirer's control over the acquiree	Increase in effective share ratio due to repayment of convertible redeemable preferred stock	Acquisition of additional shares	Acquisition of shares	Exercise of conversion right of subsidiary	Acquisition of Shares of Subsidiary Company

SK Inc. and its subsidiaries
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45. Business combination (cont'd)

	December 31, 2023				
Description of the acquiree	SK Life Science Labs, Inc.	Center For Breakthrough Medicines Holdings, LLC	EN-CORE CO., LTD.	Halio, Inc.	ISC Co., LTD.
Date of acquisition	New drug development project and intermediate the marketing industry 2023.08.11	Pharmaceutical manufacturing industry 2023.09.18	Services and wholesale and retail business 2023.10.01	Manufacturing industry 2023.12.31	Semiconductor test parts manufacturing and sales 2023.10.04
Shareholdings ratio(%) with acquired voting rights	100	54.62	88.47	81.66	46.64
Main reason for business combination	Securing technology and expanding business	Expansion of gene therapy drug business	Expansion of data management consulting and solutions	Expansion of smartglass business	Business diversification by entering the semiconductor test parts business
Description of the method of acquiring the acquirer's control over the acquiree	Acquisition of additional shares	Acquisition of shares through call option exercise	Acquisition of Shares of Subsidiary Company	Acquisition of additional shares	Acquisition of Shares of Subsidiary Company

(2) Identifiable assets acquired and liabilities assumed due to merger as of December 31, 2023 are as follows (Korean won in millions):

	December 31, 2023					
	SK ECOENGINEERING CO., LTD.	8 Rivers Capital LLC	Evertch Enterprise Co., LTD	Topsun Co.,Ltd.	Renewenergy Chungbuk Co., Ltd.	
Assets:						
Cash and cash equivalents	₩ 293,658	₩ 92,533	₩ 2,008	₩ 15,285	₩ 5,064	
Trade and other receivables	512,091	602	659	90,538	3,977	
Inventories	-	-	956	23,384	7	
Investment properties	-	-	-	-	-	
Property, plant and equipment	7,227	404	15,643	130,071	51,224	
Right-of-use assets	12,945	359	95	36,380	73	
Intangible assets	360,499	50,157	1,496	2,521	49,118	
Deferred tax assets	-	-	-	3,570	1,321	
Other assets	296,108	404,172	1,001	27,303	779	
	<u>₩ 1,482,528</u>	<u>₩ 548,227</u>	<u>₩ 21,858</u>	<u>₩ 329,052</u>	<u>₩ 111,563</u>	
Liabilities:						
Trade and other payables	₩ 228,586	₩ -	₩ 262	₩ 16,697	₩ 2,570	
Borrowing liabilities	82,624	5,025	3,274	157,448	49,013	
Lease liabilities	14,882	570	96	17,607	79	
Defined benefit liabilities	66,391	-	-	1,448	-	
Deferred tax liabilities	92,245	11,264	1,757	1,608	13,410	
Other liabilities	485,309	2,598	365	61,174	5,386	
	<u>₩ 970,037</u>	<u>₩ 19,457</u>	<u>₩ 5,754</u>	<u>₩ 255,982</u>	<u>₩ 70,458</u>	
Fair value of identifiable net assets	<u>₩ 512,491</u>	<u>₩ 528,770</u>	<u>₩ 16,104</u>	<u>₩ 73,070</u>	<u>₩ 41,105</u>	

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45. Business combination (cont'd)

	December 31, 2023				
	SK Life Science Labs, Inc.	Center For Breakthrough Medicines Holdings, LLC	EN-CORE CO., LTD.	Halo, Inc.(*1)	ISC Co., LTD.
Assets:					
Cash and cash equivalents	₩ 91,549	₩ 112,970	₩ 3,295	₩ 36,611	₩ 261,126
Trade and other receivables	1,130	60,152	4,823	868	35,395
Inventories	-	23,348	25	15,666	15,976
Investment properties	-	-	-	-	4,085
Property, plant and equipment	9,037	164,230	1,106	36,123	197,653
Right-of-use assets	11,340	301,706	4,971	34,394	2,069
Intangible assets	15,540	9,184	10,443	27	233,348
Deferred tax assets	-	-	2,045	-	7,108
Other assets	3,206	28,515	15,127	4,238	69,052
	<u>₩ 131,802</u>	<u>₩ 700,105</u>	<u>₩ 41,835</u>	<u>₩ 127,927</u>	<u>₩ 825,812</u>
Liabilities:					
Trade and other payables	₩ 1,573	₩ 6,232	₩ 347	₩ 18,378	₩ 25,994
Borrowing liabilities	-	67,354	-	32,235	39,633
Lease liabilities	10,986	334,656	4,513	36,921	806
Defined bebefit liabilities	-	-	7,893	-	126
Deferred tax liabilities	3,263	1,790	2,438	-	70,466
Other liabilities	20,992	59,283	3,070	53,621	5,717
	<u>₩ 36,814</u>	<u>₩ 469,315</u>	<u>₩ 18,261</u>	<u>₩ 141,155</u>	<u>₩ 142,742</u>
Fair value of identifiable net assets	<u>₩ 94,988</u>	<u>₩ 230,790</u>	<u>₩ 23,574</u>	<u>₩ (13,228)</u>	<u>₩ 683,070</u>

(*1) As of December 31, 2023, the fair value of the assets acquired and liabilities assumed was determined tentatively because independent valuation was not completed.

SK Inc. and its subsidiaries
Notes to the consolidated financial statements
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45. Business combination (cont'd)

(3) Goodwill arising from business combination as of December 31, 2023 is as follows (Korean won in millions):

	December 31, 2023				
	SK ECOENGINEERIN G CO., LTD.	8 Rivers Capital LLC	Evertech Enterprise Co., LTD	Topsun Co.,Ltd.	Renewenergy Chungbuk Co., Ltd.
a. The total consideration transferred(*1)	₩ 504,023	₩ 373,658	₩ 19,994	₩ 41,947	₩ 216,946
b. Fair value of proportionate share of acquired net assets:					
Fair value of the Identifiable assets:	512,491	528,770	16,104	73,070	41,105
Non-controlling Interests (*2)	(242,669)	(273,864)	(741)	(58,634)	-
	₩ 269,822	₩ 254,906	₩ 15,363	₩ 14,436	₩ 41,105
c. Goodwill (c=a-b)	₩ 234,201	₩ 118,752	₩ 4,631	₩ 27,511	₩ 175,841

	December 31, 2023				
	SK Life Science Labs, Inc.	Center For Breakthrough Medicines Holdings, LLC	EN-CORE CO., LTD.	Halio, Inc.(*1)	ISC Co., LTD.
a. The total consideration transferred(*1)	₩ 101,808	₩ 415,995	₩ 96,471	₩ 33,847	₩ 522,485
b. Fair value of proportionate share of acquired net assets:					
Fair value of the Identifiable assets:	94,988	230,790	23,574	(13,228)	683,070
Non-controlling Interests (*2)	-	(120,158)	(2,718)	2,426	(364,481)
	₩ 94,988	₩ 110,632	₩ 20,856	₩ (10,802)	₩ 318,589
c. Goodwill (c=a-b)	₩ 6,820	₩ 305,363	₩ 75,615	₩ 44,649	₩ 203,896

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

(*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.

46. Events after the reporting period

(1) Disposal of shares in SK Powertech Co., Ltd.

On March 7, 2025, the Board of Directors of the Company resolved to dispose of 1,258,538 shares (98.59% ownership) of its subsidiary, SK Powertech Co., Ltd.

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

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

(3) Waiver for SK hi-tech battery materials Poland Sp. z o.o.

SK Innovation Co., Ltd., a subsidiary, did not meet certain financial covenants, including net debt to EBITDA ratio, in relation to its foreign currency long-term loan of USD 300 million raised by its subsidiary, SK hi-tech battery materials Poland Sp. z o.o. However, in January 2025, the lender group issued a one-time waiver letter, resolving the non-compliance issue.

(4) Issuance of bonds by SK Geo Centric Co., Ltd.

SK Geo Centric Co., Ltd., a subsidiary, resolved at its board meeting on December 20, 2024, to issue corporate bonds (Series 23-1 and 23-2), finalized the issuance terms on February 4, 2025, and completed the issuance on February 5, 2025. The total issuance amount was ₩300,000 million, intended for debt repayment.

(5) Merger of SK Enterm Co., Ltd. into SK On Co., Ltd.

SK On Co., Ltd., a subsidiary, resolved on July 17, 2024, to merge with its subsidiary SK SK Enterm Co., Ltd., to enhance trading competitiveness and expand into eco-friendly products and trading business based on assets such as tank terminals. SK On Co., Ltd. and SK Enterm Co., Ltd., the parties to the merger, are affiliated companies belonging to the SK business group under the Monopoly Regulation and Fair Trade Act.

Key details of the merger are as follows, and the merger was completed on February 1, 2025:

- Surviving company after merger: SK On Co., Ltd.
- Dissolved company after merger: SK Enterm Co., Ltd.
- Merger date: February 1, 2025
- Merger ratio: SK On Co., Ltd. common shares : SK Enterm Co., Ltd. common shares = 1.0000000 : 2.6541770

(6) ATVM loan drawdown by BlueOval SK, LLC

BlueOval SK, LLC, a subsidiary, drew down an additional USD 4,325 million on January 15, 2025 under the Advanced Technology Vehicle Manufacturing (ATVM) loan program of the U.S. Department of Energy.

(7) Capital reduction by BlueOval SK, LLC

On January 15, 2025, BlueOval SK, LLC, a subsidiary, conducted a capital reduction in the amount of USD 3,400 million through an capital reduction on an equal basis by all shareholders.

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

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

SK Ecoplant Co., Ltd., a subsidiary, issued bearer unsecured bonds on February 18, 2025, in the following amounts: Series 182-1 (₩96,000 million), Series 182-2 (₩56,000 million), and Series 182-3 (₩148,000 million).

(9) Issuance of bonds by Narae Energy Service Co., Ltd.

Narae Energy Service Co., Ltd., a subsidiary, resolved on December 27, 2024 to issue corporate bonds (Series 6-1 and 6-2), finalized the issuance terms on January 23, 2025, and issued a total of ₩250,000 million on January 24, 2025.

(10) Issuance of bonds by SK Incheon Petrochem Co., Ltd.

SK Incheon Petrochem Co., Ltd., a subsidiary, resolved on December 30, 2024 to issue its 26th corporate bonds, finalized the issuance terms on January 21, 2025, and issued a total of ₩210,000 million on January 22, 2025.

(11) Issuance of bonds by SK IE Technology Co., Ltd.

Pursuant to the authority delegated by a board resolution on June 26, 2024, SK IE Technology Co., Ltd., a subsidiary, issued the 5th series of unsecured bonds totaling ₩25,000 million on January 10, 2025. The funds raised will be used for operating capital.

(12) Disposal of shares by SK Telecom Co., Ltd.

On December 18, 2024, SK Telecom Co., Ltd., a subsidiary, entered into a share purchase agreement to dispose of all shares of its subsidiaries Nate Communications Co., Ltd. (formerly SK Communications Co., Ltd.), 70% of SK M&Service Co., Ltd., and all shares in associate F&U Credit Information Co., Ltd. The disposal of shares in Nate Communications Co., Ltd. and SK M&Service Co., Ltd. was completed on January 23, 2025 and February 25, 2025, respectively.

(13) Disposal of id Quantique SA by SK Square Co., Ltd.

SK Square Co., Ltd., a subsidiary, entered into an agreement on February 24, 2025 to sell its entire stake in id Quantique SA to IonQ, Inc., and will receive common shares of IonQ, Inc. as consideration. The number of shares to be received will be finalized upon the closing of the transaction.

(14) Disposal of shares in overseas subsidiaries by SK Square Co., Ltd.

SK Square Co., Ltd.'s subsidiary, Dreamus Company, disposed of its subsidiaries iriver Enterprise Ltd., iriver China Co., Ltd., and Dongguan iriver Electronics Co., Ltd. The transaction was completed on February 28, 2025.

(15) Disposal of shares in ROKMEDIA by SK Square Co., Ltd.

On February 12, 2025, SK Square Co., Ltd.'s subsidiary, ONE Store Co., Ltd., resolved to dispose of all common shares in its subsidiary ROKMEDIA, and the disposal was completed on February 28, 2025.

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

(16) Issuance of bonds and long-term borrowings by SK Siltron Co., Ltd.

SK Siltron Co., Ltd., a subsidiary, issued corporate bonds totaling ₩200,000 million on February 21, 2025, pursuant to the board resolution dated January 20, 2025. On the same date, the board also resolved to raise ₩300,000 million in long-term borrowings for capital expenditures. On February 14, 2025, ₩150,000 million was drawn down.

(17) Joint venture agreement by SK Biopharmaceuticals Co., Ltd.

In January 2025, SK Biopharmaceuticals Co., Ltd., a subsidiary, entered into a joint venture agreement with Eurofarma Laboratories S.A., one of the largest pharmaceutical companies in South America, to commercialize its digital healthcare business in the United States. The joint venture, expected to be established within 2025, will focus on the commercialization of AI-based epilepsy management solutions utilizing the Company's proprietary EEG analysis AI technology and wearable EEG device.

Notice to Readers

This report is annexed in relation to the audit of the consolidated financial statements as of December 31, 2024 and the audit of internal accounting control system for consolidation purposes pursuant to Article 8-7 of the Act on External Audit for Joint-stock Companies of the Republic of Korea.

Independent Auditor's Report on Internal Control over Financial Reporting for Consolidation Purposes

Based on a report originally issued in Korean

**To the Shareholders and Board of Directors of
SK Inc.**

Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We have audited SK Inc. and its subsidiaries' ("the Group") internal control over financial reporting ("ICFR") for consolidation purposes as of December 31, 2024 based on the criteria established in the Conceptual Framework for Designing and Operating ICFR ("ICFR Design and Operation Framework") issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea (the "ICFR Committee").

In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting for consolidation purposes as of December 31, 2024, based on ICFR Design and Operation Framework.

We also have audited, in accordance with Korean Standards on Auditing (KSAs), the consolidated financial statements of the Group, which comprise the consolidated statement of financial position as of December 31, 2024, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policy information and other explanatory information, and our report dated March 11, 2025 expressed an unmodified opinion on those consolidated financial statements.

Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes

We conducted our audit in accordance with KSAs. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control over financial reporting in Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Internal Control over Financial Reporting for Consolidation Purposes

The Group's management is responsible for designing, operating and maintaining effective internal control over financial reporting for consolidation purposes and for its assessment of the effectiveness of internal control over financial reporting for consolidation purposes, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes.

Those charged with governance are responsible for overseeing the Group's internal control over financial reporting for consolidation purposes.



Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes

Our responsibility is to express an opinion on the Group's internal control over financial reporting for consolidation purposes based on our audit. We conducted our audit in accordance with KSAs. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting for consolidation purposes was maintained in all material respects.

Our audit of internal control over financial reporting for consolidation purposes included obtaining an understanding of internal control over financial reporting for consolidation purposes, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Definition and Limitations of Internal Control over Financial Reporting for Consolidation Purposes

The Group's internal control over financial reporting for consolidation purposes is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with Korean International Financial Reporting Standards ("K-IFRS"). The Group's internal control over financial reporting for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with K-IFRS, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting for consolidation purposes may not prevent or detect material misstatements in the consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The engagement partner on the audit resulting in this independent auditors' report is Se Hong Choi.

KPMG Samjong Accounting Corp.

Seoul, Korea
March 11, 2025

This report is effective as of March 11, 2025, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the internal control over financial reporting for consolidation purposes. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes

To the Shareholders, Board of Directors, and Audit Committee of SK Inc.

We, as the Chief Executive Officer and the Internal Accounting Manager of SK Inc. ("the Company"), assessed operating status of the Company's Internal Control over Financial Reporting ("ICFR") for Consolidation Purposes for the year ending December 31, 2024.

Design and operation of ICFR for Consolidation Purposes is the responsibility of the Company's management, including the Chief Executive Officer and the Internal Accounting Manager. We evaluated whether the Company effectively designed and operated its ICFR for Consolidation Purposes to prevent and detect errors or frauds which may cause a misstatement in Consolidated financial statements to ensure preparation and disclosure of reliable financial information.

We used the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting' established by the Operating Committee of Internal Control over Financial Reporting in Korea ("the ICFR Committee") as the criteria for design and operation of the Company's ICFR for Consolidation Purposes. And we conducted an evaluation of ICFR for Consolidation Purposes based on the 'Best Practice Guideline for Evaluating and Reporting Effectiveness of Internal Control over Financial Reporting' established by the ICFR Committee.

Based on our assessment, we concluded that the Company's ICFR for Consolidation Purposes is designed and operated effectively as of December 31, 2024, in all material respects, in accordance with the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting'.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

February 27, 2025

Yong-Ho Jang
Chief Executive Officer



Wanyoung Kim
Internal Accounting Manager

