



SK Inc.
AND ITS SUBSIDIARIES

Condensed Consolidated Interim Financial Statements
March 31, 2024 and 2023
(with Independent Auditors' Review Report Thereon)

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Independent Auditors' Review Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
SK Inc.

Reviewed Financial Statements

We have reviewed the accompanying condensed consolidated interim financial statements of SK Inc. and its subsidiaries (the "Company"), expressed in Korean won, which comprise the condensed consolidated interim statement of financial position as of March 31, 2024, the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the three-month periods ended March 31, 2024 and 2023, and notes comprising a summary of material accounting policy information and other explanatory information.

Management's Responsibility for the Interim Financial Statements

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

Auditors' review responsibility

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

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

Conclusion

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

Other matters

The consolidated statement of financial position as of December 31, 2023, the related statement of comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this report, were audited by us in accordance with KSAs and report thereon, dated March 12, 2024, expressed an unmodified opinion. The accompanying consolidated statement of financial position as of December 31, 2023, presented for comparative purposes, is not different from that audited by us from which it was derived in all material respects.



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

The accompanying condensed consolidated interim financial statements as of March 31, 2024, for the three-month periods ended March 31, 2024 and 2023, and the consolidated statement of financial position as of December 31, 2023 have been translated into United States dollars solely for the convenience of the reader and such translation does not comply with K-IFRS. We have reviewed the translation and nothing came to our attention that cause us to believe that the condensed consolidated interim financial statements expressed in Korean won have not been translated into dollars on the basis set forth in note 2.1 to the condensed consolidated interim financial statements.

KPMG Samjong Accounting Corp.

Seoul, Korea
May 16, 2024

This report is effective as of May 16, 2024, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this review report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of financial position
as of March 31, 2024 and December 31, 2023

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		March 31, 2024	December 31, 2023	March 31, 2024	December 31, 2023
Assets					
Current assets:					
Cash and cash equivalents	5	₩ 24,916,467	₩ 22,683,670	\$ 18,500,495	\$ 16,842,642
Short-term financial instruments	5, 38, 39	3,063,741	2,942,041	2,274,830	2,184,468
Trade receivables, net	5, 6, 33, 39	14,698,653	13,879,388	10,913,761	10,305,456
Other receivables, net	5, 6, 33, 39	3,405,188	3,060,312	2,528,355	2,272,284
Inventories, net	7	16,092,364	15,006,555	11,948,592	11,142,378
Short-term investment securities	5, 8, 38, 39	194,619	186,838	144,505	138,727
Other current assets	5, 6, 20, 21, 33, 38, 39	6,224,537	5,728,716	4,621,723	4,253,576
Assets held for sale	35	946,716	1,347,102	702,937	1,000,224
Total current assets		69,542,285	64,834,622	51,635,198	48,139,755
Non-current assets:					
Long-term financial instruments	5, 39	80,223	56,415	59,566	41,888
Long-term trade receivables, net	5, 6, 33, 39	548,697	545,442	407,408	404,991
Long-term other receivables, net	5, 6, 33, 39	802,237	809,912	595,662	601,360
Long-term investment securities	5, 8, 38, 39	7,897,288	7,544,076	5,863,742	5,601,482
Investments in associates and joint ventures	9, 10, 38	27,345,715	26,537,507	20,304,214	19,704,119
Properties, plant and equipment, net	12, 38	76,921,166	73,494,432	57,114,023	54,569,670
Right-of-use assets, net	13	5,194,555	5,176,931	3,856,961	3,843,875
Investment properties, net	14, 38	3,076,423	3,093,905	2,284,246	2,297,227
Goodwill	15	6,946,969	6,845,928	5,158,130	5,083,107
Intangible assets, net	16	11,568,872	11,741,419	8,589,896	8,718,012
Defined benefit asset	19	366,051	518,616	271,793	385,073
Deferred tax assets		1,770,357	1,749,089	1,314,491	1,298,700
Other non-current assets	5, 6, 20, 21, 33, 39	4,044,824	4,021,970	3,003,285	2,986,316
Total non-current assets		146,563,377	142,135,642	108,823,417	105,535,819
Total assets		₩ 216,105,662	₩ 206,970,264	\$ 160,458,615	\$ 153,675,574
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	5, 17, 38, 39	₩ 18,915,414	₩ 17,388,374	\$ 14,044,709	\$ 12,910,881
Trade payables	5, 33, 39	15,363,194	12,949,401	11,407,183	9,614,940
Other payables	5, 33, 39	8,856,880	9,731,378	6,576,240	7,225,555
Provisions	18	686,901	579,030	510,025	429,930
Current portion of long-term debt	5, 17, 38, 39	12,765,685	13,019,290	9,478,531	9,666,832
Other current liabilities	5, 6, 13, 20, 21, 33, 39	12,449,053	11,381,670	9,243,431	8,450,898
Liabilities held for sale	35	120,261	304,148	89,294	225,830
Total current liabilities		69,157,388	65,353,291	51,349,413	48,524,866
Non-current liabilities:					
Bonds and long-term borrowings	5, 17, 39	51,801,617	48,570,229	38,462,739	36,063,431
Long-term other payables	5, 39	978,600	1,342,164	726,611	996,558
Defined benefit liabilities	19	73,737	56,062	54,750	41,626
Provisions	18	1,183,017	1,226,618	878,391	910,765
Deferred tax liabilities		4,398,300	4,144,444	3,265,741	3,077,253
Other non-current liabilities	5, 6, 13, 20, 21, 33, 39	8,464,235	8,398,406	6,284,701	6,235,823
Total non-current liabilities		66,899,506	63,737,923	49,672,933	47,325,456
Total liabilities		136,056,894	129,091,214	101,022,346	95,850,322
Equity					
Equity attributable to owners of the parent:					
Share capital	1, 22	16,143	16,143	11,986	11,986
Other paid-in capital	23, 26	6,890,550	7,024,926	5,116,238	5,216,013
Retained earnings	24	13,646,998	13,668,066	10,132,906	10,148,549
Other components of equity	25	693,852	17,579	515,186	13,052
Equity attributable to owners of the Parent Company		21,247,543	20,726,714	15,776,316	15,389,600
Non-controlling interests	1	58,801,225	57,152,336	43,659,953	42,435,652
Total equity		80,048,768	77,879,050	59,436,269	57,825,252
Total liabilities and equity		₩ 216,105,662	₩ 206,970,264	\$ 160,458,615	\$ 153,675,574

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of comprehensive income (loss)
for the three-month periods ended March 31, 2024 and 2023

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

	Notes	For the three-month period ended March 31			
		Korean won		Translation into U.S. dollar (Note 2)	
		2024	2023	2024	2023
Sales	4, 33	₩ 33,026,813	₩ 32,502,705	\$ 24,522,433	\$ 24,133,283
Cost of sales	30, 33	29,417,176	29,330,940	21,842,275	21,778,245
Gross profit		3,609,637	3,171,765	2,680,158	2,355,038
Other operating income	4	38,539	-	28,615	-
Selling and administrative expenses	27, 30, 33	2,110,966	1,990,547	1,567,394	1,477,983
Operating profit	4	1,537,210	1,181,218	1,141,379	877,055
Finance income	28	1,774,273	2,162,355	1,317,399	1,605,550
Finance costs	28	2,704,370	2,817,869	2,007,997	2,092,270
Gain on investments in associates and joint ventures, net	9, 10	457,130	(545,407)	339,420	(404,965)
Other non-operating income	29	185,844	186,695	137,989	138,622
Other non-operating expenses	29	116,721	151,147	86,665	112,227
Profit (loss) from continuing operations before income tax expense	4	1,133,366	15,845	841,525	11,765
Income tax expense from continuing operations	31	499,418	75,346	370,818	55,945
Profit (loss) for the period from continuing operations	4	633,948	(59,501)	470,707	(44,180)
Gain from discontinued operations	34	91,304	52,896	67,793	39,275
Profit (loss) for the period		₩ 725,252	₩ (6,605)	\$ 538,500	\$ (4,905)
attributable to:					
Owners of the Parent Company		157,423	122,577	116,887	91,013
Non-controlling interests		567,829	(129,182)	421,613	(95,918)
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		(8,792)	(70,260)	(6,528)	(52,168)
Net loss on valuation of financial assets at FVOCI		78,380	95,162	58,197	70,658
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		88,120	186,131	65,429	138,202
Net gain (loss) on valuation of derivative financial instruments		57,816	(12,641)	42,928	(9,386)
Net gain on translation of foreign operations		1,669,198	1,070,606	1,239,381	794,926
		1,884,722	1,268,998	1,399,407	942,232
Total comprehensive income for the period		₩ 2,609,974	₩ 1,262,393	\$ 1,937,907	\$ 937,327
attributable to:					
Owners of the Parent Company		838,906	673,206	622,888	499,855
Non-controlling interests		1,771,068	589,187	1,315,019	437,472
Earnings per share (Korean won and U.S. dollar):	32				
Basic earnings per share		₩ 2,852	₩ 2,198	\$ 2.12	\$ 1.63
Preferred earnings per share		2,902	2,248	2.15	1.67
Diluted earnings per share		2,851	2,164	2.12	1.61
Basic earnings per share from continuing operations		2,105	1,954	1.56	1.45
Preferred earnings per share from continuing operations		2,105	1,954	1.56	1.45
Diluted earnings per share from continuing operations		2,104	1,921	1.56	1.43

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Consolidated interim statements of changes in equity
for the three-month periods ended March 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 period	-	-	122,577	-	122,577	(129,182)	(6,605)
Remeasurements of the net defined benefit plans	-	-	(36,218)	-	(36,218)	(34,042)	(70,260)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(134)	15,003	14,869	80,293	95,162
Equity adjustment arising from investments in equity-accounted investees	-	-	-	62,785	62,785	123,346	186,131
Net gain (loss) on valuation of derivative financial instruments	-	-	-	1,158	1,158	(13,799)	(12,641)
Net gain on translation of foreign operations	-	-	-	508,035	508,035	562,571	1,070,606
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(195,114)	-	(195,114)	(800,601)	(995,715)
Stock-based payment	-	954	-	-	954	4,416	5,370
Equity transactions within consolidated entities	-	23,690	-	-	23,690	1,693,911	1,717,601
Others	-	(285)	5,308	-	5,023	5,920	10,943
As of March 31, 2023	₩ 16,143	₩ 6,426,271	₩ 14,815,032	₩ 845,859	₩ 22,103,305	₩ 51,706,077	₩ 73,809,382
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 for the period	-	-	157,423	-	157,423	567,829	725,252
Remeasurements of the net defined benefit plans	-	-	(31)	-	(31)	(8,761)	(8,792)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	5,241	(48,460)	(43,219)	121,599	78,380
Equity adjustment arising from investments in equity-accounted investees	-	-	-	39,349	39,349	48,771	88,120
Net gain (loss) on valuation of derivative financial instruments	-	-	-	18,044	18,044	39,772	57,816
Net gain on translation of foreign operations	-	-	-	667,340	667,340	1,001,858	1,669,198
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(192,818)	-	(192,818)	(809,507)	(1,002,325)
Stock-based payment	-	6,033	-	-	6,033	13,909	19,942
Equity transactions within consolidated entities	-	(142,940)	-	-	(142,940)	667,673	524,733
Others	-	2,531	9,117	-	11,648	5,746	17,394
As of March 31, 2024	₩ 16,143	₩ 6,890,550	₩ 13,646,998	₩ 693,852	₩ 21,247,543	₩ 58,801,225	₩ 80,048,768

(Continued)

SK Inc. and its subsidiaries
Condensed consolidated interim statements of changes in equity (cont'd)
for the three-month periods ended March 31, 2024 and 2023
(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	\$ 11,986	\$ 4,753,425	\$ 11,077,081	\$ 192,217	\$ 16,034,709	\$ 37,283,371	\$ 53,318,080
Total comprehensive income:							
Profit (loss) for the period	-	-	91,013	-	91,013	(95,918)	(4,905)
Remeasurements of the net defined benefit plans	-	-	(26,892)	-	(26,892)	(25,276)	(52,168)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(100)	11,140	11,040	59,618	70,658
Equity adjustment arising from investments in equity-accounted investees	-	-	-	46,618	46,618	91,584	138,202
Net gain (loss) on valuation of derivative financial instruments	-	-	-	860	860	(10,246)	(9,386)
Net gain on translation of foreign operations	-	-	-	377,218	377,218	417,708	794,926
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(144,872)	-	(144,872)	(594,447)	(739,319)
Stock-based payment	-	708	-	-	708	3,279	3,987
Equity transactions within consolidated entities	-	17,590	-	-	17,590	1,257,730	1,275,320
Others	-	(211)	3,941	-	3,730	4,397	8,127
As of March 31, 2023	\$ 11,986	\$ 4,771,512	\$ 11,000,171	\$ 628,053	\$ 16,411,722	\$ 38,391,800	\$ 54,803,522
As of January 1, 2024	\$ 11,986	\$ 5,216,013	\$ 10,148,549	\$ 13,052	\$ 15,389,600	\$ 42,435,652	\$ 57,825,252
Total comprehensive income:							
Profit for the period	-	-	116,887	-	116,887	421,613	538,500
Remeasurements of the net defined benefit plans	-	-	(23)	-	(23)	(6,505)	(6,528)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	3,891	(35,981)	(32,090)	90,287	58,197
Equity adjustment arising from investments in equity-accounted investees	-	-	-	29,217	29,217	36,212	65,429
Net gain (loss) on valuation of derivative financial instruments	-	-	-	13,398	13,398	29,530	42,928
Net gain on translation of foreign operations	-	-	-	495,500	495,500	743,881	1,239,381
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(143,168)	-	(143,168)	(601,060)	(744,228)
Stock-based payment	-	4,480	-	-	4,480	10,327	14,807
Equity transactions within consolidated entities	-	(106,133)	-	-	(106,133)	495,748	389,615
Others	-	1,878	6,770	-	8,648	4,268	12,916
As of March 31, 2024	\$ 11,986	\$ 5,116,238	\$ 10,132,906	\$ 515,186	\$ 15,776,316	\$ 43,659,953	\$ 59,436,269

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See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of cash flows
for the three-month periods ended March 31, 2024 and 2023
(Korean won in millions and U.S. dollar in thousands)

		For the three-month period ended March 31			
		Korean won		Translation into U.S. dollar (Note 2)	
Notes		2024	2023	2024	2023
Cash flows from operating activities:					
		₩ 725,252	₩ (6,605)	\$ 538,500	\$ (4,905)
	36	2,959,346	3,123,610	2,197,317	2,319,283
	36	(1,803,565)	(420,788)	(1,339,148)	(312,435)
		220,476	174,723	163,704	129,732
		(976,466)	(751,300)	(725,027)	(557,841)
		43,947	57,904	32,631	42,994
		(103,942)	(350,863)	(77,177)	(260,516)
		1,065,048	1,826,681	790,800	1,356,312
Cash flows from investing activities:					
		(46,977)	757,837	(34,880)	562,695
		(27,124)	(7,965)	(20,140)	(5,914)
		41	10,801	30	8,020
		21,063	(429)	15,639	(319)
		(98,194)	(169,906)	(72,909)	(126,155)
		(6,797)	4,561	(5,047)	3,387
		44,704	186,534	33,193	138,502
		94,742	55,365	70,346	41,109
		34,439	19,661	25,571	14,598
		29,227	8,209	21,701	6,095
		1,074	930	797	691
		(64,046)	(483,456)	(47,554)	(358,966)
		(481,245)	(241,496)	(357,325)	(179,311)
		(3,231,306)	(4,583,792)	(2,399,247)	(3,403,469)
		(86,720)	(94,467)	(64,390)	(70,142)
		(6,080)	(542)	(4,514)	(402)
		676,446	104,188	502,262	77,360
		(3,146,753)	(4,433,967)	(2,336,467)	(3,292,221)
Cash flows from financing activities:					
		937,925	(408,257)	696,410	(303,131)
		7,172,282	4,083,332	5,325,425	3,031,877
		(4,266,300)	(1,505,735)	(3,167,731)	(1,118,009)
		(376,735)	(408,594)	(279,726)	(303,381)
		(276,251)	(262,093)	(205,117)	(194,604)
		(22,210)	(132,281)	(16,491)	(98,219)
		623,070	1,818,123	462,630	1,349,958
		195,777	(33,226)	145,364	(24,670)
		3,987,558	3,151,269	2,960,764	2,339,821
		1,905,853	543,983	1,415,097	403,912
		298,214	204,378	221,424	151,751
		28,730	(130,721)	21,332	(97,060)
		22,683,670	21,393,853	16,842,642	15,884,952
		₩ 24,916,467	₩ 22,011,493	\$ 18,500,495	\$ 16,343,555

See accompanying notes to the condensed consolidated interim financial statements.

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

1. Corporate information (cont'd)

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

Subsidiaries	Reasons for changes
SK China Real Estate Co., Limited	Liquidation (1 company)
Geom Bawi Solar Co., Ltd.	
Nickel Co., Ltd.	
Solar Ocean Co., Ltd	
TS ENERGY NO.5 CO.,LTD	
TOPSUN SOLAR NO.2 CO.,LTD	
TS ENERGY NO.15 CO.,LTD	Disposal
TS ENERGY CO.,LTD	(17 companies)
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	

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

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

	As of for the three-month period ended March 31, 2024						
	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%	69.15%	68.46%	52.03%	54.74%	10.00%	57.10%
Current assets	₩ 35,456,050	₩ 7,109,603	₩ 2,115,220	₩ 3,009,654	₩ 1,872,116	₩ 5,143,128	₩ 6,499,689
Non-Current assets	50,928,066	23,186,908	16,163,175	6,783,911	5,255,657	14,178,839	8,924,392
Current liabilities	30,870,504	7,258,331	1,272,320	4,342,030	1,900,834	5,057,537	7,393,912
Non-current liabilities	24,191,248	10,585,198	791,828	3,328,208	2,650,518	6,876,448	3,563,946
Net assets	31,322,364	12,452,982	16,214,247	2,123,327	2,576,421	7,387,982	4,466,223
Book value of the non-controlling interests	21,909,060	7,514,155	11,255,650	1,075,434	1,932,520	5,031,675	3,663,698
Sales	18,855,139	4,474,611	498,278	2,476,906	415,189	3,569,273	2,063,074
Net income (loss)	(97,623)	361,940	333,285	7,307	(27,993)	268,273	43,114
Other comprehensive net income (loss)	948,400	132,379	91,968	10,400	73,606	219,985	45,056
Total comprehensive income (loss)	850,777	494,319	425,253	17,707	45,613	488,258	88,170
Net income of the non-controlling interests	(63,151)	242,652	269,809	2,837	(17,269)	100,937	27,109
Total comprehensive income (loss) of the non-controlling interests	593,691	298,337	332,578	5,938	26,084	130,866	60,198
Net cash flows from operating activities	(1,042,565)	1,118,729	(7,286)	604,604	(51,982)	952,826	(409,405)
Net cash flows from investing activities	(1,892,145)	(643,650)	(114,617)	(251,392)	288,169	(88,585)	(101,433)
Net cash flows from financing activities	2,791,291	(217,111)	(40,331)	128,018	96,212	272,442	385,484
Net increase (decrease) in cash and cash equivalents	(143,419)	257,968	(162,234)	481,230	332,399	1,136,683	(125,354)
Dividends paid to the non-controlling interests	(9,700)	(4,950)	-	-	-	(7,560)	-

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

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

1. Corporate information (cont'd)

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

	As of for the three-month period ended 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 stocks and others.

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

(1) Basis of preparation

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

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as of December 31, 2023.

The accompanying condensed consolidated interim financial statements are stated in Korean won, the currency of the country in which the Group is incorporated and operates. The translation of Korean won amounts into U.S. dollar amounts is included solely for the convenience of readers of the condensed consolidated interim financial statements and has been made at the rate of ₩1,346.80 to USD 1.00, the basic exchange rate in the Seoul Money Brokerage Service for cable transfers in Korean won on the last business day of the three-month period ended March 31, 2024. Such translations into U.S. dollars should not be construed as representations that the Korean won amounts could be converted into U.S. dollars at that or any other rate.

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

(2) Material accounting policy information

The material accounting policy information used for the preparation of the accompanying the condensed consolidated interim financial statements as of and for the three-month period ended March 31, 2024, are the same as the accounting policy information 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.

1) New and amended standards and interpretations

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

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

The new and amended K-IFRSs that are issued, but not yet effective, as of March 31, 2024 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.

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

3. Significant accounting judgments, estimates and assumptions

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

Those accounting judgments made by management in the preparation of the condensed consolidated interim financial statements for the three-month period ended March 31, 2024, are consistent with those followed in the preparation of consolidated financial statements for the year ended December 31, 2023.

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 and resources development
SK Telecom Co., Ltd.	Wireless and wired telecommunication
SK Square Co., Ltd.	Semiconductor and New ICT
SK Networks Co., Ltd.	Information communication, rental and trade
SKC Co., Ltd.	Chemical, Electronic Materials and mobility material
SK E&S Co., Ltd.	Gas and energy
SK Ecoplant Co., Ltd.	Construction and eco-friendly business
Others	IT services, special gas manufacturing and sale, medicine and life science and others

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4. Operating segments (cont'd)

(2) Details of financial information for each operating segment as of and for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the three-month period ended March 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 18,893,678	₩ 4,474,611	₩ 867,672	₩ 2,476,906	₩ 415,189
Internal sales	(258,034)	(63,376)	(502,299)	(321,470)	(38,265)
Net sales and other operating income	18,635,644	4,411,235	365,373	2,155,436	376,924
Net Income	(97,623)	361,940	333,285	7,307	(27,993)
Total assets	86,384,116	30,296,511	18,278,395	9,793,565	7,127,773
Total liabilities	55,061,751	17,843,529	2,064,148	7,670,238	4,551,352
Depreciation	479,244	719,474	15,275	177,093	32,683
Amortization	83,473	212,048	10,480	9,053	11,321

	As of and for the three-month period ended March 31, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*1)	Total
Sales and other operating income	₩ 3,569,273	₩ 2,063,074	₩ 3,074,308	₩ (2,769,359)	₩ 33,065,352
Internal sales	(128,192)	(161,828)	(1,295,895)	2,769,359	-
Net sales and other operating income	3,441,081	1,901,246	1,778,413	-	33,065,352
Net Income	268,273	43,114	594,157	(757,208)	725,252
Total assets	19,321,967	15,424,081	65,398,515	(35,919,261)	216,105,662
Total liabilities	11,933,985	10,957,858	27,349,441	(1,375,408)	136,056,894
Depreciation	135,783	41,012	201,722	(18,785)	1,783,501
Amortization	6,637	33,990	30,301	69,176	466,479

	As of and for the three-month period ended March 31, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 19,142,879	₩ 4,372,227	₩ 11,178	₩ 2,389,764	₩ 479,547
Internal sales	(184,708)	(74,691)	363,197	(310,328)	(72,404)
Net sales and other operating income	18,958,171	4,297,536	374,375	2,079,436	407,143
Net Income	(51,954)	302,501	(523,737)	5,365	(92,072)
Total assets	71,865,995	30,465,732	21,454,681	9,454,707	5,950,015
Total liabilities	47,353,740	18,148,998	4,705,755	7,029,817	3,718,944
Depreciation	422,655	714,941	40,460	144,209	33,361
Amortization	48,099	212,806	17,222	9,086	7,944

	As of and for the three-month period ended March 31, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*1)	Total
Sales and other operating income	₩ 3,394,168	₩ 1,475,375	₩ 3,231,811	₩ (1,994,244)	₩ 32,502,705
Internal sales	(134,067)	(2,826)	(1,578,417)	1,994,244	-
Net sales and other operating income	3,260,101	1,472,549	1,653,394	-	32,502,705
Net Income	144,593	55,371	928,000	(774,672)	(6,605)
Total assets	18,230,307	13,341,545	59,976,060	(32,946,389)	197,792,653
Total liabilities	11,568,780	9,260,846	23,031,286	(834,896)	123,983,270
Depreciation	97,126	26,750	178,496	79,730	1,737,728
Amortization	5,666	20,644	33,556	81,431	436,454

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

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Notes to the condensed consolidated interim financial statements
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4. Operating segments (cont'd)

(3) Details of financial information by geographical location as of and for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the three-month period ended March 31, 2024						
	Korea	Asia	Europe	North America	Ohters	Consolidation adjustments	Total
Total sales and other operating income	₩ 41,608,936	₩ 13,165,850	₩ 2,165,469	₩ 3,946,208	₩ 9,586	₩ (27,830,697)	₩ 33,065,352
Operating profit (loss)	2,906,792	100,621	28,077	(347,931)	(4,920)	(1,145,429)	1,537,210
Profit (loss) from continuing operating before income tax expense	2,550,993	161,625	(6,872)	(484,992)	(3,849)	(1,083,539)	1,133,366
Profit (loss) for the period from continuing operations	2,334,040	128,720	(12,306)	(474,250)	(10,338)	(1,331,918)	633,948
Total assets	223,403,734	29,381,821	15,601,218	53,975,307	2,894,989	(109,151,407)	216,105,662
Total liabilities	116,030,246	11,956,622	8,259,739	16,792,936	709,755	(17,692,404)	136,056,894

	As of and for the three-month period ended March 31, 2023						
	Korea	Asia	Europe	North America	Ohters	Consolidation adjustments	Total
Total sales and other operating income	₩ 41,585,276	₩ 11,971,411	₩ 2,906,911	₩ 2,258,805	₩ 18,831	₩ (26,238,529)	₩ 32,502,705
Operating profit (loss)	3,046,643	120,507	(67,750)	(257,619)	2,863	(1,663,426)	1,181,218
Profit (loss) from continuing operating before income tax expense	2,864,853	127,393	(76,255)	(380,843)	4,358	(2,523,661)	15,845
Profit (loss) for the period from continuing operations	2,462,130	95,196	(86,040)	(384,054)	3,156	(2,149,889)	(59,501)
Total assets	213,871,707	25,645,363	12,171,875	34,966,962	2,301,108	(91,164,362)	197,792,653
Total liabilities	109,627,496	10,704,526	7,252,293	9,031,036	705,990	(13,338,071)	123,983,270

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4. Operating segments (cont'd)

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

	For the three-month period ended March 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 18,893,678	₩ 4,474,611	₩ 867,672	₩ 2,476,906	₩ 415,189
2. Revenue from contracts with customers	18,727,372	4,474,611	498,278	2,112,474	414,452
Categories:					
Service sales	90,296	4,046,725	305,482	172,811	-
Finished goods sales	17,819,144	-	8,712	16,991	393,049
Merchandise sales	447,838	295,807	103,045	1,917,775	6,970
Other sales	370,094	132,079	81,039	4,897	14,433
	<u>18,727,372</u>	<u>4,474,611</u>	<u>498,278</u>	<u>2,112,474</u>	<u>414,452</u>
Timing of revenue recognition:					
Recognition at a point in time	18,628,996	406,846	207,210	1,939,663	407,576
Recognition over a period of time	98,376	4,067,765	291,068	172,811	6,876
	<u>18,727,372</u>	<u>4,474,611</u>	<u>498,278</u>	<u>2,112,474</u>	<u>414,452</u>
3. Revenue from other sources	127,767	-	369,394	364,432	737
4. Other operating income (*2)	38,539	-	-	-	-

	For the three-month period ended March 31, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*1)	Total
1. Sales and other operating income	₩ 3,569,273	₩ 2,063,074	₩ 3,074,308	₩ (2,769,359)	₩ 33,065,352
2. Revenue from contracts with customers	3,568,765	2,051,832	2,818,570	(1,723,078)	32,943,276
Categories:					
Service sales	458	2,019,210	1,255,752	(814,119)	7,076,615
Finished goods sales	1,401,507	-	1,286,113	(445,484)	20,480,032
Merchandise sales	2,124,646	20,633	217,365	(434,876)	4,699,203
Other sales	42,154	11,989	59,340	(28,599)	687,426
	<u>3,568,765</u>	<u>2,051,832</u>	<u>2,818,570</u>	<u>(1,723,078)</u>	<u>32,943,276</u>
Timing of revenue recognition:					
Recognition at a point in time	325,654	9,391	1,607,631	2,333,694	25,866,661
Recognition over a period of time	3,243,111	2,042,441	1,210,939	(4,056,772)	7,076,615
	<u>3,568,765</u>	<u>2,051,832</u>	<u>2,818,570</u>	<u>(1,723,078)</u>	<u>32,943,276</u>
3. Revenue from other sources	508	11,242	255,738	(1,046,281)	83,537
4. Other operating income (*2)	-	-	-	-	38,539

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

(*2) 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 March 31, 2024 as SK Innovation Co., Ltd. chooses the cash receipt method.

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4. Operating segments (cont'd)

	For the three-month period ended March 31, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 19,142,879	₩ 4,372,227	₩ 11,178	₩ 2,389,764	₩ 479,547
2. Revenue from contracts with customers	19,134,581	4,372,232	583,607	2,380,346	479,547
Categories:					
Service sales	82,056	4,122,820	505,320	312,823	-
Finished goods sales	17,631,624	-	10,650	249,969	452,117
Merchandise sales	1,005,566	246,861	16,753	1,812,408	18,718
Other sales	415,335	2,551	50,884	5,146	8,712
	<u>19,134,581</u>	<u>4,372,232</u>	<u>583,607</u>	<u>2,380,346</u>	<u>479,547</u>
Timing of revenue recognition:					
Recognition at a point in time	19,052,525	383,425	248,760	2,076,786	479,547
Recognition over a period of time	82,056	3,988,807	334,847	303,560	-
	<u>19,134,581</u>	<u>4,372,232</u>	<u>583,607</u>	<u>2,380,346</u>	<u>479,547</u>
3. Revenue from other sources	8,298	(5)	(572,429)	9,418	-

	For the three-month period ended March 31, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*1)	Total
1. Sales and other operating income	₩ 3,394,168	₩ 1,475,375	₩ 3,231,811	₩ (1,994,244)	₩ 32,502,705
2. Revenue from contracts with customers	3,392,458	1,464,273	2,067,163	(1,428,355)	32,445,852
Categories:					
Service sales	-	1,208,382	647,423	(567,964)	6,310,860
Finished goods sales	1,243,389	226,212	1,161,670	(375,198)	20,600,433
Merchandise sales	2,105,989	17,971	226,555	(461,211)	4,989,610
Other sales	43,080	11,708	31,515	(23,982)	544,949
	<u>3,392,458</u>	<u>1,464,273</u>	<u>2,067,163</u>	<u>(1,428,355)</u>	<u>32,445,852</u>
Timing of revenue recognition:					
Recognition at a point in time	178,434	229,643	1,132,239	2,353,633	26,134,992
Recognition over a period of time	3,214,024	1,234,630	934,924	(3,781,988)	6,310,860
	<u>3,392,458</u>	<u>1,464,273</u>	<u>2,067,163</u>	<u>(1,428,355)</u>	<u>32,445,852</u>
3. Revenue from other sources	1,710	11,102	1,164,648	(565,889)	56,853

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

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5. Financial instruments

(1) Financial assets

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

	March 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	₩ 6,222,748	₩ -	₩ 18,693,719	₩ -	₩ 24,916,467
Short-term financial instruments	583,375	-	2,480,366	-	3,063,741
Trade receivables (*1)	180,615	301,279	13,166,797	-	13,648,691
Other receivables (*2)	150,926	-	2,536,745	-	2,687,671
Short-term loans	-	-	275,474	-	275,474
Accrued income	-	-	140,129	-	140,129
Short-term investment securities	194,574	-	45	-	194,619
Guarantee deposits	-	-	551,167	-	551,167
Derivative financial assets	391,308	-	-	154,092	545,400
Lease receivables	-	-	6,111	-	6,111
	<u>₩ 7,723,546</u>	<u>₩ 301,279</u>	<u>₩ 37,850,553</u>	<u>₩ 154,092</u>	<u>₩ 46,029,470</u>
Non-current assets:					
Long-term financial instruments	₩ 4,790	₩ -	₩ 75,433	₩ -	₩ 80,223
Long-term trade receivables	-	-	548,697	-	548,697
Long-term other receivables	136,386	-	665,851	-	802,237
Long-term loans	-	-	736,313	-	736,313
Long-term accrued income	-	-	43,106	-	43,106
Long-term investment securities	1,609,231	6,254,282	33,775	-	7,897,288
Long-term guarantee deposits	-	-	620,140	-	620,140
Derivative financial assets	906,752	-	-	327,680	1,234,432
Lease receivables	-	-	9,877	-	9,877
	<u>₩ 2,657,159</u>	<u>₩ 6,254,282</u>	<u>₩ 2,733,192</u>	<u>₩ 327,680</u>	<u>₩ 11,972,313</u>
	<u>₩ 10,380,705</u>	<u>₩ 6,555,561</u>	<u>₩ 40,583,745</u>	<u>₩ 481,772</u>	<u>₩ 58,001,783</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,049,962 million as of March 31, 2024 are not included in the financial assets.

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

SK Inc. and its subsidiaries
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5. Financial instruments (cont'd)

(1) Financial assets (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.

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5. Financial instruments (cont'd)

(2) Financial liabilities

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

	March 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	₩ -	₩ 18,915,414	₩ -	₩ -	₩ 18,915,414
Trade payables	242,395	15,120,799	-	-	15,363,194
Other payables (*1)	15,203	8,608,788	-	-	8,623,991
Current portion of long-term debt	-	12,765,685	-	-	12,765,685
Accrued expenses (*1)	-	3,107,569	-	-	3,107,569
Dividends payable	-	845,652	-	-	845,652
Leasehold deposits received	-	1,052,493	-	-	1,052,493
Derivative financial liabilities	383,650	-	33,825	-	417,475
Lease liabilities	-	-	-	1,227,062	1,227,062
Finance guarantee liabilities	-	-	-	11,793	11,793
Financial liabilities at fair value through profit or loss	22,799	-	-	-	22,799
	<u>₩ 664,047</u>	<u>₩ 60,416,400</u>	<u>₩ 33,825</u>	<u>₩ 1,238,855</u>	<u>₩ 62,353,127</u>
Non-current liabilities:					
Bonds and long-term borrowings	₩ -	₩ 51,801,617	₩ -	₩ -	₩ 51,801,617
Long-term other payables (*1)	117,072	860,328	-	-	977,400
Long-term accrued expenses	-	27,547	-	-	27,547
Leasehold deposits received	-	395,621	-	-	395,621
Derivative financial liabilities	1,160,930	-	3,825	-	1,164,755
Long-term lease liabilities	-	-	-	3,978,928	3,978,928
Financial guarantee liabilities	-	-	-	21,910	21,910
Financial liabilities at fair value through profit or loss	685,816	-	-	-	685,816
	<u>₩ 1,963,818</u>	<u>₩ 53,085,113</u>	<u>₩ 3,825</u>	<u>₩ 4,000,838</u>	<u>₩ 59,053,594</u>
	<u>₩ 2,627,865</u>	<u>₩ 113,501,513</u>	<u>₩ 37,650</u>	<u>₩ 5,239,693</u>	<u>₩ 121,406,721</u>

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

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5. Financial instruments (cont'd)

(2) Financial liabilities (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
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>₩ 56,673,107</u>	<u>₩ 19,115</u>	<u>₩ 1,249,596</u>	<u>₩ 58,508,949</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
	<u>₩ 1,655,192</u>	<u>₩ 50,210,625</u>	<u>₩ 164,074</u>	<u>₩ 4,008,044</u>	<u>₩ 56,037,935</u>
	<u>₩ 2,222,323</u>	<u>₩ 106,883,732</u>	<u>₩ 183,189</u>	<u>₩ 5,257,640</u>	<u>₩ 114,546,884</u>

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

(3) Fair values of financial instruments by hierarchy level

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

	March 31, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Bonds	₩ 39,037,935	₩ 39,149,654	₩ 37,422,779	₩ 36,512,427
Borrowings	44,444,781	42,880,584	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 (0.43% ~ 7.27%) 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

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5. Financial instruments (cont'd)

(3) Fair values of financial instruments by hierarchy level (cont'd)

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

	March 31, 2024				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL	₩ 9,082,645	₩ 319,503	₩ 7,098,225	₩ 1,664,917	₩ 9,082,645
Financial assets measured at FVOCI	6,555,561	2,881,546	41,997	3,632,018	6,555,561
Derivative financial assets	1,779,832	4,299	666,844	1,108,689	1,779,832
	<u>₩ 17,418,038</u>	<u>₩ 3,205,348</u>	<u>₩ 7,807,066</u>	<u>₩ 6,405,624</u>	<u>₩ 17,418,038</u>
Financial liabilities:					
Financial liabilities measured at FVTPL	₩ 1,083,285	₩ -	₩ 245,452	₩ 837,833	₩ 1,083,285
Derivative financial liabilities	1,582,230	-	492,101	1,090,129	1,582,230
	<u>₩ 2,665,515</u>	<u>₩ -</u>	<u>₩ 737,553</u>	<u>₩ 1,927,962</u>	<u>₩ 2,665,515</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>

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6. Trade and other receivables

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

	March 31, 2024			December 31, 2023		
	Gross amount	Allowance for doubtful accounts	Carrying amount	Gross amount	Allowance for doubtful accounts	Carrying amount
Trade receivables (*1)	₩ 15,197,844	₩ (499,191)	₩ 14,698,653	₩ 14,362,437	₩ (483,049)	₩ 13,879,388
Short-term loans	353,646	(78,172)	275,474	324,564	(78,009)	246,555
Other receivables	3,510,687	(105,499)	3,405,188	3,166,781	(106,469)	3,060,312
Accrued income	141,691	(1,562)	140,129	118,727	(1,404)	117,323
Short-term guarantee deposits	551,976	(809)	551,167	508,439	(809)	507,630
Short-term Lease receivables	6,111	-	6,111	23,892	-	23,892
Long-term trade receivables	594,459	(45,762)	548,697	589,171	(43,729)	545,442
Long-term loans	1,025,273	(288,960)	736,313	960,487	(287,460)	673,027
Long-term other receivables	822,598	(20,361)	802,237	830,235	(20,323)	809,912
Long-term accrued income	43,106	-	43,106	32,462	-	32,462
Long-term guarantee deposits	622,267	(2,127)	620,140	617,484	(2,039)	615,445
Long-term lease receivables	9,877	-	9,877	43,385	-	43,385
	<u>₩ 22,879,535</u>	<u>₩ (1,042,443)</u>	<u>₩ 21,837,092</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 March 31, 2024 and December 31, 2023 are as follows (Korean won in millions):

	March 31, 2024	December 31, 2023
Contract assets: (*1)		
Construction business	₩ 1,012,152	₩ 988,478
Telecommunication business	125,908	129,771
Others	<u>287,092</u>	<u>294,712</u>
	<u>₩ 1,425,152</u>	<u>₩ 1,412,961</u>
Contract liabilities: (*2)		
Construction business	₩ 1,247,734	₩ 1,123,313
Telecommunication business	227,648	212,493
City gas business	285,273	283,275
Others	<u>1,234,351</u>	<u>1,220,323</u>
	<u>₩ 2,995,006</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 for the three-month period ended March 31, 2024 in relation to the contract liabilities in the end of the prior period is ₩471,955 million.

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6. Trade and other receivables (cont'd)

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

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

	March 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	₩ 79,078	₩ 19,366	₩ 17,978	₩ 41,734
Others	2,393	3,340	(851)	(96)
	₩ 81,471	₩ 22,706	₩ 17,127	₩ 41,638

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

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

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	March 31, 2024			
					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	99.65	₩ -	₩ -	₩ 60,012	₩ -

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	March 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	99.45	₩ 77,974	₩ -	₩ -	₩ -

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

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

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7. Inventories

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

	March 31, 2024			December 31, 2023		
	Acquisition cost	Valuation allowance	Book value	Acquisition cost	Valuation allowance	Book value
Merchandise	₩ 1,151,056	₩ (58,492)	₩ 1,092,564	₩ 1,483,797	₩ (73,429)	₩ 1,410,368
Finished goods	5,242,084	(253,965)	4,988,119	4,978,286	(324,487)	4,653,799
Semifinished goods and work in progress	1,831,143	(98,590)	1,732,553	1,803,927	(131,952)	1,671,975
Raw materials and sub-materials	3,182,736	(98,779)	3,083,957	3,397,528	(165,039)	3,232,489
Materials in transit	4,002,316	-	4,002,316	3,079,113	-	3,079,113
Supplies	1,175,157	(5,013)	1,170,144	943,308	(5,839)	937,469
Uncompleted contracts	18,007	-	18,007	17,326	-	17,326
Others	5,856	(1,152)	4,704	5,169	(1,153)	4,016
	₩ 16,608,355	₩ (515,991)	₩ 16,092,364	₩ 15,708,454	₩ (701,899)	₩ 15,006,555

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

	March 31, 2024	March 31, 2023
Reversal of valuation of inventories	₩ (185,908)	₩ (424,882)

8. Investment securities

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

	March 31, 2024			
	Equity instruments		Debt instruments	
	Listed	Unlisted	Listed	Unlisted
Current assets				
Financial assets measured at FVTPL	₩ -	₩ -	₩ -	₩ 194,574
Financial assets measured at FVOCI (*1)	-	-	-	-
Financial assets measured at amortized cost	-	-	-	45
	₩ -	₩ -	₩ -	₩ 194,619
Non-current assets				
Financial assets measured at FVTPL	₩ 319,503	₩ 102,332	₩ -	₩ 1,187,396
Financial assets measured at FVOCI (*1)	2,881,546	3,372,735	-	1
Financial assets measured at amortized cost	-	-	-	33,775
	₩ 3,201,049	₩ 3,475,067	₩ -	₩ 1,221,172
	₩ 3,201,049	₩ 3,475,067	₩ -	₩ 1,415,791

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8. Investment securities (cont'd)

	December 31, 2023							
	Equity instruments				Debt instruments			
	Listed		Unlisted		Listed		Unlisted	
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.

9. Investments in joint ventures

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

	Domicile	Principal Business activity	March 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	₩ 909,349	35.0	₩ 901,241	December
Beijing BESK Technology Co., Ltd.	China	Battery manufacturing	49.0	259,756	49.0	263,870	December
Lunar Energy, Inc.	USA	Power Management Services	43.5	94,024	43.5	97,817	December
ZETA CAYMAN Limited	Cayman	Overseas investment	50.0	160,445	50.0	153,906	December
Ignis Therapeutics	Cayman	Pharmaceutical manufacturing	41.0	95,361	41.0	93,293	December
Eurasia Tunnel	Turkey	Construction	50.0	475,055	50.0	466,996	December
Parkingcloud Corp.	Korea	Business support service	44.5	154,683	44.5	155,569	December
BORYEONG LNG TERMINAL CO.,LTD.	Korea	Energy	50.0	168,857	50.0	172,398	December
SABIC SK Nexlene Company Pte. Ltd.	Singapore	Investment	50.0	232,077	50.0	228,782	December
Korea Security Holdings Co., Ltd.	Korea	Holding company	32.0	879,709	32.0	887,398	December
Zhejiang SK energy Baoying Group Co., Ltd.	China	Asphalt business	49.0	102,506	49.0	102,943	December
HSAGP ENERGY LLC	USA	Investment	50.0	1,245,379	50.0	831,600	December
Others				470,639		473,265	December
				₩ 5,247,840		₩ 4,829,078	

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.

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9. Investments in joint ventures (cont'd)

(2) Changes in carrying amount of investments in joint ventures for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

		For the three-month period ended March 31, 2024								
		Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance
Joint ventures	₩	4,829,078	₩ 377,124	₩ (211)	₩ (49,746)	₩ 39,250	₩ (11,148)	₩ -	₩ 63,493	₩ 5,247,840
		For the three-month period ended March 31, 2023								
		Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance
Joint ventures	₩	2,995,713	₩ 27,547	₩ (7,775)	₩ 11,847	₩ 54,556	₩ (10,000)	₩ -	₩ 22,910	₩ 3,094,798

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

10. Investments in associates

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

	Domicile	Principal Business activity	March 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	₩ 12,179,984	20.1	₩11,694,067	December
Vingroup Joint Stock Company (*2)	Vietnam	Holding company	6.1	573,667	6.1	549,217	December
Eureka Midstream Holdings	USA	Resource development	40.0	567,465	40.0	549,070	December
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	Investment	15.8	510,287	15.8	489,055	December
Masan Group Corporation (*2,4)	Vietnam	Holding company(F&B, Livestock, Mining, Banking)	9.2	435,401	9.2	419,226	December
Darwin LNG Pty Ltd.	Australia	Wholesale, import and export of LNG gas and other	25.0	505,340	25.0	473,791	December
The CrownX Corporation (*2)	Vietnam	Holding company	4.9	400,103	4.9	380,736	December
FR BR Aggregator	USA	Resource development	39.0	172,152	39.0	164,973	December
Huizhou EVE United Energy Co., Ltd.	China	Battery Manufacturing	49.0	522,899	49.0	514,635	December
Peru LNG Company, LLC (*5)	USA	LNG	-	-	20.0	279,825	December
Daehan Oil Pipeline Corporation	Korea	Pipeline transportation	41.0	318,632	41.0	327,897	December

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10. Investments in associates (cont'd)

	Domicile	Principal Business activity	March 31, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
NHIP II Bison Holdings, LLC	USA	Resource development	24.4	₩ 320,701	24.4	₩ 307,089	December
Canakkale Highway And Bridge	Turkey	Construction	25.0	412,722	25.0	333,655	December
Korea IT Fund (*3)	Korea	Investment	63.3	336,484	63.3	336,404	December
Joyvio (*2,5)	China	Investment	-	-	13.3	195,987	December
Content Wavve Corp.	Korea	Broadcasting	40.5	110,930	40.5	118,459	December
Best Oil Company Ltd.	Myanmar	Oil product trading and distribution	35.0	162,221	35.0	150,945	September
TBM Co., Ltd. (*2)	Japan	Manufacturing	13.4	91,569	13.4	94,637	December
ENN (Zhoushan) LNG Co., Ltd. (*2)	China	Energy	10.0	154,369	10.0	146,415	December
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	Laos	Hydropower generation	26.0	153,769	26.0	149,761	December
BLOOMENERGY CORPORATION (*2)	USA	Other power generation	10.5	591,131	10.5	579,440	December
TERRAPOWER, LLC (*2)	USA	Small nuclear reactor	11.7	283,518	11.7	284,753	December
Londian Wason New Energy Tech. Inc.	Cayman	EV charger manufacturing	29.6	478,180	29.6	474,388	December
CENVIRO SDN. BHD.	Malaysia	Recycling and recovery	30.0	138,718	30.0	135,427	December
Goseong Green Power Co., Ltd. (*2)	Korea	Thermal power generation	10.0	113,640	10.0	117,674	December
ChangZhou BTR New Material Technology CO.,LTD.	China	New energy	25.0	114,497	25.0	107,487	December
Nexeon	UK	Investment	21.3	109,459	21.3	106,024	December
Amogy Inc. (*2)	USA	Fuel cell	15.3	102,246	15.3	101,966	December
Others				2,237,791		2,125,426	
				₩ 22,097,875		₩ 21,708,429	

- (*1) Equity ownership includes indirect investments held by the consolidated subsidiaries.
(*2) The Group retains significant influence on the associate despite having less than 20% equity interests.
(*3) These companies were not included as consolidated subsidiaries as the Group does not have control over more than half of the voting rights by agreements.
(*4) The consolidated entity holds a put option in relation to its shares.
(*5) It was transferred to assets held for sale during the three-month periods ended March 31, 2024 (See Note 35).

(2) Changes in carrying amount of investments in associates for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

Associates	For the three-month period ended March 31, 2024								
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance
	₩ 21,708,429	₩ 107,525	₩ (19,743)	₩ 506,876	₩ 57,530	₩ (85,482)	₩ -	₩ (177,260)	₩ 22,097,875
Associates	For the three-month period ended March 31, 2023								
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	Ending balance
	₩ 24,461,292	₩ 280,562	₩ (19,165)	₩ (557,255)	₩ 155,889	₩ (84,357)	₩ -	₩ 172,151	₩ 24,409,117

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

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10. 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 March 31, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	March 31, 2024	Accumulated	March 31, 2024	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 688	₩ 7,302	₩ -	₩ -
Daehan 4 New Stay REIT Co., Ltd.	1,744	13,255	-	-
Chuncheon Green Energy Co., Ltd.	(25)	-	-	-
Yongin General Industrial Complex Co.,Ltd	11,215	11,215	-	-
InterVest New Growth Fund	20	736	-	-
CHUNGJU BIJEU KOEO CITY CO., LTD.	5	201	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	3,971	26,004	-	-
Chuncheon Clean Water Load Co., Ltd	2	20	-	-
Pohang New Water Road Co., Ltd	3	369	-	-
Gangneung Sacheon Fuelcell	(385)	453	-	-
BARR Operation and Maintenance. LLP	24	115	-	-
Sonori corp	8	230	-	-
Invites Genomics Co.,Ltd. (formerly Invites healthcare Co., Ltd.)	7,695	15,539	(151)	1,028
U-land Co.,Ltd.	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	4,176	-	(124)
Yemen LNG Company Ltd.	-	74,518	-	19,268
WHITETAILCLEANENERGYLTD.	-	-	(1,260)	(1,260)
HCM001,LLC	27,582	27,582	-	-
Mastern 171 Yangjoo PFV Co. Ltd.	66	66	-	-
Samam Solar Co., Ltd.	19	19	-	-
	₩ 52,632	₩ 182,811	₩ (1,411)	₩ 18,912

	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 Green Energy 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	(646)	838	-	-
BARR Operation and Maintenance. LLP	91	91	-	-
Sonori corp	2	222	-	-
Invites healthcare Co., Ltd.	7,844	7,844	1,179	1,179
U-land Co.,Ltd.	-	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

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11. Investments in joint operations

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

Company name	Ownership percentage		Main business location	Date of financial statements	Nature of joint arrangement activities, etc.
	March 31, 2024	December 31, 2023			
Ulsan Aromatics Co., Ltd.	50%	50%	Korea	March 31	(*1,2)
PT. Patra SK	65%	65%	Indonesia	March 31	(*1,3)
HDGSK JV	25%	25%	Iraq	March 31	(*1,4)
TPSK JV	50%	50%	Vietnam	March 31	(*1,5)
BUILD KING - SK ECOPLANT JV(East)	40%	40%	Hong kong	March 31	(*1,6)
BUILD KING - SK ECOPLANT JV(West)	49%	49%	Hong kong	March 31	(*1,7)
BIG ALMATY RING ROAD (BAKAD) PROJECT	33%	33%	Kazakhstan	March 31	(*1,8)
RIVERLINKX CJV	20%	20%	UK	March 31	(*1,9)
Sotra Link Construction JV	30%	30%	Norway	March 31	(*1,10)
HSS JV	-	30%	Kuwait	December 31	(*1,11)
China state construction eng. Corp & SK ecoplant co.,ltd JV	-	43%	UAE	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) 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.

(*5) 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.

(*6) 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.

(*7) 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.

(*8) 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.

(*9) 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.

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

(*11) Construction activities have been ended during the current period.

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12. Property, plant and equipment

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

	March 31, 2024			
	Acquisition Cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land	₩ 10,070,960	₩ -	₩ (15,249)	₩ 10,055,711
Buildings	9,499,223	(1,469,833)	(52,535)	7,976,855
Structures	3,266,714	(1,051,977)	(19,873)	2,194,864
Machinery and equipment	43,615,052	(21,386,978)	(186,472)	22,041,602
Vehicles	309,034	(142,938)	(2,317)	163,779
Operating lease asset	3,528,673	(922,628)	(3,847)	2,602,198
Others	10,511,376	(3,947,347)	(366,071)	6,197,958
Construction-in-progress	25,688,199	-	-	25,688,199
	₩ 106,489,231	₩ (28,921,701)	₩ (646,364)	₩ 76,921,166

	December 31, 2023			
	Acquisition Cost	Accumulated depreciation	Accumulated impairment loss	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
	₩ 101,925,957	₩ (27,803,417)	₩ (628,108)	₩ 73,494,432

(2) Changes in property, plant and equipment for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

	For the three-month period ended March 31, 2023								Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Reversal (Impairment)	Transfers	Others(*1)		
Land	₩ 9,316,944	₩ 1,498	₩ (342)	₩ -	₩ -	₩ 57,864	₩ (36,911)	₩ 9,339,053	
Buildings	6,609,655	1,720	(298)	(67,643)	-	1,229,237	98,462	7,871,133	
Structures	1,906,675	843	(175)	(34,666)	-	25,289	12,878	1,910,844	
Machinery and equipment	20,873,162	105,554	(10,119)	(1,035,573)	(4,432)	966,551	(213,897)	20,681,246	
Vehicles	177,588	4,300	(679)	(7,517)	-	1,672	1,131	176,495	
Operating lease asset	2,387,593	283,668	(4,892)	(124,958)	(1,283)	(54,842)	(2)	2,485,284	
Others	5,280,841	313,939	(1,043)	(187,786)	(1)	15,292	(153,565)	5,267,677	
Construction-in-progress	13,369,414	3,303,483	(5,640)	-	(6,569)	(2,401,164)	278,176	14,537,700	
	₩ 59,921,872	₩ 4,015,005	₩ (23,188)	₩ (1,458,143)	₩ (12,285)	₩ (160,101)	₩ (13,728)	₩ 62,269,432	

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

13. Right-of-use assets and lease

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

	March 31, 2024			
	Acquisition Cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land and buildings	₩ 4,330,104	₩ (1,632,373)	₩ (4,729)	₩ 2,693,002
Tanks	379,389	(238,852)	-	140,537
Ships	1,905,728	(577,555)	-	1,328,173
Vehicles	1,185,851	(561,897)	(3,667)	620,287
Others	678,049	(265,337)	(156)	412,556
	₩ 8,479,121	₩ (3,276,014)	₩ (8,552)	₩ 5,194,555

	December 31, 2023			
	Acquisition Cost	Accumulated depreciation	Accumulated impairment loss	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
	₩ 8,286,931	₩ (3,101,512)	₩ (8,488)	₩ 5,176,931

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

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

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

	For the three-month period ended March 31, 2023					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,519,406	₩ 177,146	₩ (36,354)	₩ (149,580)	₩ (3,664)	₩ 2,506,954
Tanks	156,403	5,592	(174)	(16,292)	539	146,068
Ships	1,435,547	1,630	-	(34,489)	16,992	1,419,680
Vehicles	946,903	34,981	(89,376)	(51,714)	(12,941)	827,853
Others	379,155	6,724	(8,368)	(21,839)	(3,395)	352,277
	₩ 5,437,414	₩ 226,073	₩ (134,272)	₩ (273,914)	₩ (2,469)	₩ 5,252,832

(*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 for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Short-term Lease-Related Costs	₩ 45,869	₩ 55,869
Low-value underlying asset lease-related costs	3,710	2,759
Costs related to variable lease payments not included in the measurement of lease liabilities	40,678	36,794
	₩ 90,257	₩ 95,422

(4) Details of total cash out flows due to leases for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Total cash out flows from leases	₩ 399,288	₩ 407,517

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14. Investment properties

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

	March 31, 2024	December 31, 2023
Acquisition cost	₩ 3,329,558	₩ 3,323,282
Accumulated depreciation	(248,802)	(225,130)
Accumulated impairment loss	(4,333)	(4,247)
	<u>₩ 3,076,423</u>	<u>₩ 3,093,905</u>

(2) Changes in investment properties for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

		For the three-month period ended March 31, 2023							
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment	Transfers	Others(*1)	Ending balance	
Land	₩ 1,121,125	₩ 447	₩ (1,119)	₩ -	₩ -	₩ 10,673	₩ 9,676	₩ 1,140,802	
Buildings	739,922	2,434	(504)	(5,640)	(119)	25,317	14,676	776,086	
Structures	5,059	560	-	(31)	-	-	26	5,614	
Right-of-use assets	-	-	-	-	-	-	-	-	
	<u>₩ 1,866,106</u>	<u>₩ 3,441</u>	<u>₩ (1,623)</u>	<u>₩ (5,671)</u>	<u>₩ (119)</u>	<u>₩ 35,990</u>	<u>₩ 24,378</u>	<u>₩ 1,922,502</u>	

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

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15. Goodwill

Changes in goodwill for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

	For the three-month period ended March 31, 2023						
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers	Ohters(*1)	Ending balance
Goodwill	₩ 7,475,558	₩ -	₩ -	₩ -	₩ (1,181,716)	₩ 86,670	₩ 6,380,512

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

16. Intangible assets

Changes in intangible assets for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

(*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) This includes net translation differences, Excluding scope of Consolidation and others.

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16. Intangible assets (cont'd)

	For the three-month period ended March 31, 2023							Ending balance
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers	Others(*3)	
Frequency usage rights	₩ 2,082,434	₩ -	₩ -	₩ (120,625)	₩ -	₩ -	₩ (2)	₩ 1,961,807
Industrial property rights	194,812	6,409	(4)	(2,357)	-	169	2,510	201,539
Development costs	252,314	8,043	(179)	(18,764)	-	8,552	492	250,458
Facility usage rights	33,351	755	-	(1,438)	-	50	381	33,099
Customer-related assets	2,985,910	185	(159)	(72,334)	-	-	(489,190)	2,424,412
Development costs for petroleum resource	1,300,661	21,277	-	(19,700)	(747)	(4,893)	8,840	1,305,438
Membership (*1)	353,156	18,772	(6,884)	-	-	65	(4,699)	360,410
Brand-related assets (*1)	2,681,683	-	-	-	-	-	(371,503)	2,310,180
Developed technology	876,564	-	-	(44,343)	-	-	8,720	840,941
Others (*2)	1,948,134	29,458	(31)	(156,893)	(301)	65,605	(27,524)	1,858,448
	₩ 12,709,019	₩ 84,899	₩ (7,257)	₩ (436,454)	₩ (1,048)	₩ 69,548	₩ (871,975)	₩ 11,546,732

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

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17. Bonds and borrowings

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

	March 31, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 18,915,414	₩ -	₩ 17,388,374	₩ -
Bonds and long-term borrowings:				
Bonds	7,757,543	31,280,392	8,113,947	29,308,832
Long-term borrowings (*1)	5,008,142	20,521,225	4,905,343	19,261,397
	<u>12,765,685</u>	<u>51,801,617</u>	<u>13,019,290</u>	<u>48,570,229</u>
	<u>₩ 31,681,099</u>	<u>₩ 51,801,617</u>	<u>₩ 30,407,664</u>	<u>₩ 48,570,229</u>

(*1) It includes borrowings collateralized for trade receivables of ₩101,411 million and ₩113,351 million as of March 31, 2024 and December 31, 2023, respectively, which were transferred but not derecognized.

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

	March 31, 2024		December 31, 2023	
	₩		₩	
SK Inc.	₩	7,250,000	₩	7,300,000
SK Innovation Co., Ltd.		800,000		1,050,000
SK Energy Co., Ltd.		2,850,000		3,030,000
SK Geo Centric Co., Ltd.		1,950,000		1,650,000
SK Incheon Petrochem Co., Ltd.		1,907,000		1,817,000
SK Enmove Co., Ltd.		920,000		920,000
SK ie technology Co., Ltd.		200,000		-
SK Battery America, Inc.		1,616,160		2,063,040
SK On Co., Ltd.		2,272,120		1,146,820
SK Earthon Co., Ltd.		150,000		150,000
IPC First Securitization Specialty Company		180,000		180,000
SK Telecom Co., Ltd.		6,987,406		6,744,471
SK Broadband Co., Ltd.		1,694,040		1,606,820
SK Networks Co., Ltd.		1,210,000		1,210,000
SK Magic Co., Ltd.		740,000		610,000
SK Rent-a-Car Co., Ltd.		1,018,000		920,000
SKC Co., Ltd.		145,000		145,000
SK Enpulse Co., Ltd.		10,000		10,000
ISC Co., Ltd.		20,000		20,000
SK PIC Global Co., Ltd.		30,000		30,000
SK E&S Co., Ltd.		2,550,000		2,200,000
Paju Energy Service Co., Ltd.		610,000		610,000
Narae Energy Service Co., Ltd.		250,000		250,000
Yeoju Energy Service Co., Ltd.		200,000		200,000
Ige Co., Ltd.		130,000		130,000
SK Ecoplant Co., Ltd.		1,332,000		1,474,000
Topsun Co., Ltd.		4,160		4,245
SK Oceanplant Co., Ltd.		50,000		50,000
SK Specialty Co., Ltd.		580,000		580,000
SK Materials Airplus Incorporated.		40,000		40,000
SK Siltron Co., Ltd.		949,000		869,000
Teraon Co., Ltd.		10		10
SK REIT Co., Ltd.		468,100		468,100
8 Rivers Capital LLC		-		4,835
		<u>39,112,996</u>		<u>37,483,341</u>
Less: discount on bonds		(75,061)		(60,562)
Less: current portion		<u>(7,757,543)</u>		<u>(8,113,947)</u>
	₩	<u>31,280,392</u>	₩	<u>29,308,832</u>

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17. Bonds and borrowings (cont'd)

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

Description	Financial institution	Issuing currency	Interest rate	March 31, 2024	December 31, 2023
General	Korea Development Bank and others	KRW	1.00% ~ 7.72%	₩ 9,733,419	₩ 7,925,789
Fund for facility	Korea Development Bank and others	KRW	1.30% ~ 7.18%	8,271,253	8,326,877
Foreign borrowings	Standard Chartered Bank and others	USD and Others	0.75% ~ 8.00%	5,778,457	6,200,145
Fund for mine exploration	Korea Energy Agency (*1)	USD	0.00% ~ 8.80%	106,198	104,284
Takeover	Korea Development Bank and others	USD	SOFR(3M) + 2.00%	188,552	180,516
Takeover	Mizuho Bank and others	EUR	EURIBOR(3M)+1.60%	233,922	229,681
Repayment-exemptable loan	KentuckyEconomicDevelopment Finance Authority (*2)	USD	-	336,700	322,350
Others	MD Prime 1st Co., Ltd. and others	KRW	3M CD+1.8%, 4.95%	1,007,818	1,007,818
				₩ 25,656,319	₩ 24,297,460
Less: discount				(126,952)	(130,720)
Less: current portion				(5,008,142)	(4,905,343)
				₩ 20,521,225	₩ 19,261,397

(*1) As of March 31, 2024 and December 31, 2023, the Group holds a loan amounting to ₩58,353 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.

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

18. Provisions

Changes in the provisions as of and for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

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

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18. Provisions (cont'd)

	As of and for the three-month period ended March 31, 2023								
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 215,191	₩ 45,207	₩ (4,158)	₩ (1,512)	₩ 3,979	₩ 258,707	₩ 48,123	₩ 210,584	
Provision for service / construction warranties	95,848	5,616	(6,129)	-	(221)	95,114	95,114	-	
Provision for restoration	705,171	15,585	(1,730)	(1,917)	20,676	737,785	140,470	597,315	
Provision for onerous contracts	282,239	3,217	(10,463)	(15,911)	2	259,084	214,730	44,354	
Emission provisions	8,467	1,475	-	-	107	10,049	9,986	63	
Litigation provisions	18,543	210	(7,924)	-	(176)	10,653	9,212	1,441	
Other provisions	181,565	80,583	(78,565)	(3,602)	(13,879)	166,102	65,407	100,695	
	₩ 1,507,024	₩ 151,893	₩ (108,969)	₩ (22,942)	₩ 10,488	₩ 1,537,494	₩ 583,042	₩ 954,452	

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

19. Defined benefit liabilities (assets)

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

	March 31, 2024	December 31, 2023
Present value of defined benefit obligation	₩ 3,714,499	₩ 3,749,577
Fair value of plan assets	(4,006,813)	(4,212,131)
Defined benefit asset (*1)	(366,051)	(518,616)
Defined benefit liability	73,737	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.

(2) Changes in the defined benefit liabilities for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

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

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19. Defined benefit liabilities (assets) (cont'd)

	For the three-month period ended March 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	103,978	-	103,978
Past Service cost	(7,507)	-	(7,507)
Net interest cost (income)	40,694	(49,118)	(8,424)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	13,624	13,624
Actuarial gain from changes in financial assumptions	89,298	-	89,298
Contributions by employer directly to plan assets	-	(11,045)	(11,045)
Benefit payments	(139,137)	137,775	(1,362)
Transferred to liabilities held for sale	(158,751)	41,549	(117,202)
Others	52,263	(39,089)	13,174
Ending balance	₩ 3,399,404	₩ (3,814,784)	₩ (415,380)

20. Other assets and liabilities

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

	March 31, 2024	December 31, 2023
Current assets :		
Short-term loans	₩ 275,474	₩ 246,555
Accrued income	140,129	117,323
Advanced payments	1,522,848	1,452,222
Prepaid expenses	2,936,417	2,865,728
Guarantee deposits	551,167	507,630
Derivative financial assets	545,400	290,304
Lease receivables	6,111	23,892
Other contract assets	164,955	111,638
Others	82,036	113,424
	₩ 6,224,537	₩ 5,728,716
Non-current assets :		
Long-term prepaid expenses	₩ 1,223,550	₩ 1,217,004
Long-term loans	736,313	673,027
Guarantee deposits	620,140	615,445
Derivative financial assets	1,234,432	1,258,951
Long-term lease receivables	9,877	43,385
Other long-term contract assets	38,978	57,228
Others	181,534	156,930
	₩ 4,044,824	₩ 4,021,970

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20. Other assets and liabilities (cont'd)

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

	March 31, 2024		December 31, 2023
Current liabilities :			
Accrued expenses	₩ 3,823,304	₩	4,364,459
Dividends payable	845,652		983
Advances received	1,900,874		1,824,137
Unearned revenue	253,870		269,329
Withholdings	1,412,432		1,011,052
Leasehold deposits received	1,052,493		1,086,643
Income tax payable	1,127,299		903,539
Derivative financial liabilities	417,475		368,900
Lease liabilities	1,227,062		1,239,548
Finance guarantee liabilities	11,793		10,048
Financial liabilities at fair value through profit or loss	22,799		25,085
Other contract liabilities	316,197		240,815
Others	37,803		37,132
	<u>₩ 12,449,053</u>	₩	<u>11,381,670</u>
Non-current liabilities :			
Long-term accrued expenses	₩ 27,547	₩	21,078
Advances received	778,995		809,827
Long-term unearned revenue	757,448		763,917
Leasehold deposits received	395,621		391,159
Derivative financial liabilities	1,164,755		1,250,772
Long-term lease liabilities	3,978,928		3,989,530
Financial guarantee liabilities	21,910		18,514
Financial liabilities at fair value through profit or loss	685,816		457,319
Other long-term contract liabilities	74,605		98,901
Others (*1)	578,610		597,389
	<u>₩ 8,464,235</u>	₩	<u>8,398,406</u>

(*1) Includes long-term employee benefit liabilities amounting to ₩139,745 million and ₩134,549 million as of March 31, 2024 and December 31, 2023, respectively.

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21. Derivative financial assets and liabilities

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

	March 31, 2024			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 25,910	₩ 6,213	₩ 162	₩ 76,674
Swap contracts	162,688	322,877	39,343	566,694
Forward contracts	63,672	66,764	355,570	1,366
Futures contracts	7,133	-	-	-
Options contracts	285,997	825,982	9,302	437,919
Embedded derivative	-	12,596	13,098	82,102
	₩ 545,400	₩ 1,234,432	₩ 417,475	₩ 1,164,755

	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

22. Share capital

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

	March 31, 2024	
	Common stocks	Preferred stocks (No voting rights)
	Number of shares authorized (in shares)	400,000,000
Par value per share (in won)	₩ 200	₩ 200
Number of shares issued (in shares)	73,198,329	566,135
Share capital	₩ 16,030	₩ 113

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

The Company retired 6,000,000 shares of its treasury share (par value : ₩1,200 million) in 2015 and 951,000 shares of its treasury share (par value : ₩190 million) during 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 to be issued under the articles of association is 400,000,000 shares, of which preferred shares without voting rights can be issued up to 45,000,000 shares.

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22. Share capital (cont'd)

(2) Changes in the total number of shares issued for the three-month periods ended March 31, 2024 and 2023 are as follows (In shares):

	<u>For the three-month period ended March 31, 2024</u>	
	<u>Common stocks</u>	<u>Preferred stocks (No voting rights)</u>
Beginning	73,198,329	566,135
Retirement of treasury shares	-	-
Ending	<u>73,198,329</u>	<u>566,135</u>
	 <u>For the three-month period ended March 31, 2023</u>	
	<u>Common stocks</u>	<u>Preferred stocks (No voting rights)</u>
Beginning	74,149,329	566,135
Retirement of treasury shares	-	-
Ending	<u>74,149,329</u>	<u>566,135</u>

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23. Other paid-in capital

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

	March 31, 2024	December 31, 2023
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(2,023,906)	(1,960,078)
Other capital surplus	2,305,289	2,375,837
	<u>₩ 6,890,550</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 March 31, 2024, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (7,656,202 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) during the year 2015.

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

	March 31, 2024	December 31, 2023
Number of treasury shares (in shares)	18,681,226	18,336,199
Acquisition amount	₩ 2,023,906	₩ 1,960,078

(3) Changes in treasury shares for the three-month periods ended March 31, 2024 and 2023 are as follows (In shares):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Beginning	18,336,199	18,976,607
Acquisition	357,602	-
Disposal	(12,575)	(27,434)
Ending	<u>18,681,226</u>	<u>18,949,173</u>

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24. Retained earnings

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Legal reserve		
Earned surplus reserve (*1)	₩ 8,072	₩ 8,072
Voluntary reserve		
Reserve for business rationalization	11,122	11,122
Reserve for business improvement	51,775	51,775
Unappropriated retained earnings	<u>13,576,029</u>	<u>13,597,097</u>
	<u>₩ 13,646,998</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.

25. Other components of equity

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

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Net loss on valuation of financial assets measured at FVOCI	₩ (1,597,237)	₩ (1,548,777)
Equity adjustments of investments in associates and joint ventures	198,699	159,350
Net gain on valuation of derivative instruments	61,779	43,735
Net gain on translation of foreign operation	<u>2,030,611</u>	<u>1,363,271</u>
	<u>₩ 693,852</u>	<u>₩ 17,579</u>

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26. Share-based payment

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

(1) SK Inc.

- Cash-settled share-based payment

1) The terms and conditions related to the grants of the stock options granted under the share option program as of March 31, 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 during the three-month period ended March 31, 2024.

(*2) All options granted in wave 2 were fully exercised during the three-month period ended March 31, 2024.

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

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

March 31, 2024					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ 1,588	₩ 16,892	₩ -	₩ 16,892	₩	₩ 15,565
March 31, 2023					
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (2,304)	₩ 16,445	₩ -	₩ 16,445	₩	₩ 15,232

SK Inc. and its subsidiaries
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26. Share-based payment (cont'd)

3) Changes in stock options for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won):

	For the three-month period ended March 31, 2024		For the three-month period ended March 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
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	272,687	139,632	291,294	137,673

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

Descriptions	March 31, 2024			
	2-1	2-2	1	2
Option Pricing Model	The binomial model	The binomial model	The binomial model	The binomial model
Expected price(Closing price on the preceding day)	₩ 178,600	₩ 178,600	₩ 178,600	₩ 178,600
Risk-free interest rate	3.33%	3.33%	3.33%	3.33%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	32.40%	32.40%	32.40%	32.40%
Dividend yield	2.80%	2.80%	2.80%	2.80%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 47,988	₩ 47,988	₩ 90,264	₩ 90,264

- 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	March 31, 2024
Evaluation base date	December 5, 2023
Grant date	March 29, 2023
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
Vesting conditions	1 year service from January 1, 2023

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26. Share-based payment (cont'd)

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

March 31, 2024			
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs
₩ -	₩ 4,721	₩ -	₩ 4,721

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

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

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 March 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 March 31, 2024 and 2023 are as follows (Korean won in millions):

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

	March 31, 2023			
	Current(reversal)	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ (523)	₩ 7,010	₩ 694	₩ 7,704
Group of SK Telecom Co., Ltd.	726	156,305	3,335	159,640
Group of SK Square Co., Ltd.	4,930	50,717	36,723	87,440
Group of SK Networks Co., Ltd.	(469)	2,437	-	2,437
Group of SKC Co., Ltd.	1,094	5,911	4,549	10,460
Group of SK Ecoplant Co., Ltd.	833	3,443	4,186	7,629
Others	587	6,175	8,053	14,228
	₩ 7,178	₩ 231,998	₩ 57,540	₩ 289,538

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27. Selling and administrative expenses

Details of selling and administrative expenses for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Salaries	₩ 624,929	₩ 567,385
Provision for pension benefits	37,930	28,866
Employee welfare benefits	182,746	145,994
Travel	26,979	29,028
Bad debt expenses	14,891	17,717
Communications	4,692	3,931
Utilities	15,377	20,677
Taxes and dues	31,641	46,534
Supplies	11,102	13,861
Rents	53,416	51,981
Depreciation	163,441	138,139
Amortization	113,785	96,478
Repairs	8,377	8,325
Insurance	20,534	18,375
Advertising	115,886	132,130
Research and development	186,684	183,405
Education and examination	17,294	22,633
Outsourcing technology services	306,466	262,683
Transport	80,807	76,958
Others	93,989	125,447
	₩ 2,110,966	₩ 1,990,547

28. Finance income and costs

(1) Details of finance income for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Finance income:		
Interest income	₩ 252,052	₩ 197,057
Gain on foreign currency transactions	518,304	927,315
Gain on foreign currency translation	293,946	294,403
Gain on transactions of derivatives	292,001	412,942
Gain on valuation of derivatives	373,945	270,143
Others	44,025	60,495
	₩ 1,774,273	₩ 2,162,355

(2) Details of finance costs for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Finance costs:		
Interest expense	₩ 926,174	₩ 735,790
Loss on foreign currency transactions	558,724	973,635
Loss on foreign currency translation	433,059	454,699
Loss on transactions of derivatives	308,693	389,013
Loss on valuation of derivatives	382,718	176,166
Others	95,002	88,566
	₩ 2,704,370	₩ 2,817,869

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29. Other non-operating income and expenses

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Other non-operating income:		
Dividend income	₩ 23,063	₩ 36,616
Rental income	381	637
Gain on disposal of investments in associates and joint ventures	35,392	12,133
Gain on disposal of property, plant and equipment	13,315	5,730
Gain on disposal of intangible assets	6,718	583
Others	106,975	130,996
	₩ 185,844	₩ 186,695

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Other non-operating expenses:		
Loss on disposal of trade receivables	₩ 23,973	₩ 35,029
Loss on impairment of investments in associates and joint ventures	-	1,333
Loss on disposal of property, plant and equipment	6,557	4,306
Loss on impairment of property, plant and equipment	1,026	13,622
Loss on disposal of intangible assets	1,196	369
Loss on impairment of intangible assets	2,769	1,112
Donations	8,533	18,082
Others	72,667	77,294
	₩ 116,721	₩ 151,147

30. The Classification of expenses by nature

Details of the classification of expenses by nature for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Employee benefits	₩ 2,622,895	₩ 2,282,711
Depreciation and amortization	2,238,395	2,174,832
Network connection	189,446	178,743
Transport	239,981	280,611
Advertising	116,349	132,712
Lease payments and rents	127,893	137,878
Others	5,717,699	5,226,611
Use of raw materials and purchase of finished goods and merchandise	20,614,517	21,020,681
Changes in finished goods and semi-finished goods	(339,033)	(113,292)
Total (*1)	₩ 31,528,142	₩ 31,321,487

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

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31. Income taxes

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

The average effective tax rates for the three-month periods ended March 31, 2024 and 2023 are 42.18% and 119.05% respectively.

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 current quarter. 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.

32. Earnings per share

(1) Basic earnings per share

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Profit for the year from continuing operations	₩ 116,178	₩ 108,955
attributable to owners of the Parent Company		
Gain from discontinued operations attributable to owners of the Parent Company	41,245	13,622
Less: preferred share dividends and residual profit (*1)	1,638	1,269
Profit for the year from continuing operations	₩ 114,990	₩ 107,852
attributable to ordinary share owners of the Parent Company		
Gain from discontinued operations attributable to ordinary share owners of the Parent Company	40,795	13,456
Weighted-average number of ordinary share outstanding (*2)	54,632,278	55,184,587
Basic earnings per share from continuing operations	₩ 2,105	₩ 1,954
attributable to ordinary share owners of the Parent Company		
(in Korean won)		
Basic earnings per share from discontinued operations	747	244
attributable to ordinary share owners of the Parent Company		
(in Korean won)		

(*1) Preferred stocks are entitled to receive 25% above (par value basis) the cash dividend rate for common stocks.

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

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32. Earnings per share (cont'd)

2) The basis of calculating weighted-average number of ordinary shares for the three-month periods ended March 31, 2024 and 2023 is as follows:

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Weighted-average number of issued shares outstanding	73,198,329	74,149,329
Adjustment: treasury shares	(18,566,051)	(18,964,742)
Weighted-average number of ordinary shares outstanding	<u>54,632,278</u>	<u>55,184,587</u>

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Preferred share dividends and residual profit	₩ 1,638	₩ 1,269
Profit for the year from continuing operations attributable to preferred share owners of the Parent Company	1,188	1,103
Gain from discontinued operations attributable to preferred share owners of the Parent Company	450	166
Weighted-average number of preferred share outstanding	<u>564,348</u>	<u>564,348</u>
Basic earnings per share from continuing operations attributable to preferred share owners of the Parent Company (in Korean won) (*1)	₩ 2,105	₩ 1,954
Basic earnings per share from discontinued operations attributable to preferred share owners of the Parent Company (in Korean won) (*1)	797	294

(*1) Earnings per share were calculated with respect to the preferred shares that meet the definition of a common stock as specified in the K-IFRS No. 1033 *Earnings per Share*, which has no such preferential rights for participating in dividends or undistributed earnings.

Preferred share has no potential equity instruments, so basic earnings per share and diluted earnings per share are the same.

(2) Diluted earnings per share

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Profit for the year from continuing operations attributable to owners of the Parent Company	₩ 116,178	₩ 108,955
Gain from discontinued operations attributable to owners of the Parent Company	41,245	13,622
Less: preferred share dividends and residual profit (*1)	1,638	1,269
Less: numerator adjustment of cash-settled stock option	-	1,696
Profit for the year from continuing operations attributable to ordinary share owners of the parent	₩ 114,990	₩ 106,156
Gain from discontinued operations attributable to ordinary share owners of the Parent Company	40,795	13,456
Weighted-average number of ordinary share outstanding	<u>54,644,457</u>	<u>55,266,781</u>
Diluted earnings per share from continuing operations attributable to ordinary share owners of the Parent Company (in Korean won)	₩ 2,104	₩ 1,921
Diluted earnings per share from discontinued operations attributable to ordinary share owners of the Parent Company (in Korean won)	747	243

(*1) Preferred stocks are entitled to receive 25% above (par value basis) the cash dividend rate for common stocks.

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32. Earnings per share (cont'd)

2) The basis of calculating weighted-average number of diluted ordinary shares for the three-month periods ended March 31, 2024 and 2023 is as follows:

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Weighted-average number of issued shares outstanding	54,632,278	55,184,587
Adjustment: stock option	12,179	82,194
Weighted-average number of diluted ordinary shares outstanding	<u>54,644,457</u>	<u>55,266,781</u>

33. Transactions with related parties

Balances on transactions arising from intercompany transactions within the Group were eliminated in preparing the condensed consolidated interim financial statements as of and for the three-month periods ended March 31, 2024 and 2023.

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

	Company name
Investments in associates	SK Hynix Inc., Vingroup Joint Stock Company, Eureka Midstream Holdings, VCM Services And Trading Development Joint Stock Company, Masan Group Corporation, Darwin LNG Pty Ltd., The CrownX Corporation, FR BR Aggregator, Huizhou EVE United Energy Co., Ltd., Daehan Oil Pipeline Corporation, NHIP II Bison Holdings, LLC, Canakkale Highway And Bridge, Korea IT Fund, Content Wavve Corp, Best Oil Company Ltd., TBM Co., Ltd., ENN (Zhoushan) LNG Co., Ltd., XE-PIAN XE-NAMNOY POWER COMPANY LIMITED., BLOOMENERGY CORPORATION, TERRAPOWER, LLC, Londian Wason New Energy Tech. Inc., CENVIRO SDN. BHD., Goseong Green Power Co., Ltd., ChangZhou BTR New Material Technology CO.,LTD., Nexeon, Amogy Inc. 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, 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., 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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33. Transactions with related parties (cont'd)

(2) Details of significant transactions with the related parties for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	Company name	Sales and others		Expenses and others		
		For the three-month period ended March 31, 2024	For the three-month period ended March 31, 2023	For the three-month period ended March 31, 2024	For the three-month period ended March 31, 2023	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 15,925	₩ 15,592	₩ 16,571	₩ 17,527	
	SABIC SK Nexlene Company Pte. Ltd.	178	174	69,272	67,508	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	240	309	131,884	165,916	
	ChangZhou BTR New Material Technology CO.,LTD.	22,148	168,590	104,609	211,153	
	Ignis Therapeutics	3,373	-	-	-	
	Eurasia Tunnel	1,078	868	-	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	1,323	528	-	-	
	YONGIN General Industrial Complex Co.,Ltd	93,324	28,131	834	-	
	Bloom SK Fuel Cell, LLC	275	205	11,654	1,069	
	Godeok Clean Energy Co., Ltd.	2,174	41,571	1,283	-	
	Chuncheon Green Energy Inc.	877	8,755	-	-	
	Boryeong LNG Terminal Co., Ltd.	12,395	10,000	32,643	35,414	
	Darwin LNG Pty Ltd.	175	26,352	-	-	
	F&U Credit Information Co., Ltd.	748	811	12,124	12,766	
	SK Hynix Inc.	600,681	655,899	13,086	10,194	
	Best Oil Company Ltd.	277,139	429,153	2,496	-	
	Asia Bitumen Trading Pte. Ltd.	3,073	-	2,848	13,891	
	Huizhou EVE United Energy Co., Ltd.	13,988	18,967	107,223	479,265	
	Sotra Link Holdco AS	28,935	9,014	-	-	
	Daehan Kanggun BCN Co. Ltd.	8,349	7,801	-	-	
	Haman Green Energy Co., Ltd.	397	-	-	-	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	43,215	19,289	-	-	
	Goseong Green Power Co., Ltd.	1,090	11,786	-	-	
	Songsan Green Energy Co.,Ltd.	2,603	-	-	-	
	DCK One Co., Ltd.	103,018	13,599	-	-	
	BLOOMENERGY CORPORATION	-	-	153,420	-	
	SMCore. Inc.	87	557	12,508	11,407	
	Peru LNG Company, LLC.	42,185	128,346	-	-	
	Others	98,970	130,668	63,472	537,566	
	Other related parties (*1)	Baic Electronics SK (Jiangsu) Technology	4,828	11,334	74,903	181,590
		XINGLU (HONGKONG) LIMITED	3,025	48,053	-	-
Happynarae Co., Ltd.		5,468	2,600	63,479	67,294	
SK hynix Semiconductor (China) Ltd.		65,811	64,473	364	222	
SK Hynix Semiconductor Hongkong		4	2	172,014	132,212	
Korea Nexlene Company		42,099	54,212	76	68	
Ulsan Aromatics Co., Ltd.		17,803	27,167	21,976	33,316	
SK Gas Co., Ltd.		151,685	45,167	64,297	146,012	
SK Chemicals Co., Ltd.		11,765	12,525	1,010	3,333	
SK Shieldus Co., Ltd.		20,132	-	80,689	-	
UNA Engineering Co., Ltd.		243	141	15,556	11,622	
Ulsan GPS Corporation		58,460	2,632	-	-	
SK Bioscience Co., Ltd.		18,935	1,674	-	-	
SK Multi utility Co., Ltd.		73,882	789	5,139	9,219	
Others		105,524	13,771	33,582	38,509	
	<u>₩ 1,957,627</u>	<u>₩ 2,011,505</u>	<u>₩ 1,269,012</u>	<u>₩ 2,187,073</u>		

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

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33. Transactions with related parties (cont'd)

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

		March 31, 2024	
Company name		Receivables and others (*1)	Payables and others
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 16,186	₩ 2,373
	SABIC SK Nexlene Company Pte. Ltd.	1,670	41,411
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	256	14,022
	ChangZhou BTR New Material Technology CO.,LTD.	11,140	59,078
	Yemen LNG Company Ltd.	90,597	-
	Ignis Therapeutics	606	12,070
	Eurasia Tunnel	33,222	-
	SKEC Jurong Investment	74,375	-
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	101,726	-
	YONGIN General Industrial Complex Co.,Ltd	1,155	122,523
	Bloom SK Fuel Cell, LLC	6,180	17,584
	Godeok Clean Energy Co., Ltd.	11,392	992
	Chuncheon Green Energy Inc.	21,164	-
	Boryeong LNG Terminal Co., Ltd	13,456	-
	Darwin LNG Pty Ltd.	86,319	-
	F&U Credit Information Co., Ltd.	63	4,904
	SK Hynix Inc.	501,127	315,743
	Best Oil Company Ltd.	117,036	38,803
	Asia Bitumen Trading Pte. Ltd.	3,092	-
	Huizhou EVE United Energy Co., Ltd.	41,338	113,915
	Daehan Kanggun BCN Co. Ltd.	25,004	-
	Haman Green Energy Co., Ltd.	-	34,735
	Goseong Green Power Co., Ltd.	62,026	1,458
	Songsan Green Energy Co.,Ltd.	-	34,795
	DCK One Co., Ltd.	-	13,079
	BLOOMENERGY CORPORATION	194	288,058
	SMCore. Inc.	53	13,925
Peru LNG Company, LLC.	4,166	-	
Others	94,049	20,320	
Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology	8,640	74,994
	XINGLU (HONGKONG) LIMITED	3,054	-
	Happynarae Co., Ltd.	832	16,537
	SK hynix Semiconductor (China) Ltd.	31,085	267
	SK Hynix Semiconductor Hongkong	-	52,327
	Korea Nexlene Company	9,134	1,538
	Ulsan Aromatics Co., Ltd.	4,931	8,823
	SK Gas Co., Ltd.	50,815	113,520
	SK Chemicals Co., Ltd.	5,977	472
	SK Shieldus Co., Ltd.	34,277	39,694
	UNA Engineering Co., Ltd.	101	8,151
	Ulsan GPS Corporation	5,624	18
	SK Bioscience Co., Ltd.	2,304	42,677
	SK Multi utility Co., Ltd.	153	2,036
	Others	34,178	28,185
		₩ 1,508,697	₩ 1,539,027

(*1) The Group recognized bad debt expense amounting to ₩948 million for the three-month periods ended March 31, 2024 (for the three-month periods ended March 31, 2023: bad debt expense of ₩858 million). The Group recognized the allowance for doubtful accounts amounting to ₩173,167 million and ₩172,219 million as of March 31, 2024 and December 31, 2023, respectively.

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

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33. 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
	ChangZhou BTR New Material Technology CO.,LTD.	42,243	141,717
	Yemen LNG Company Ltd.	85,924	-
	Ignis Therapeutics	-	14,466
	Eurasia Tunnel	32,274	-
	SKEC Jurong Investment	74,375	-
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	100,501	-
	YONGIN General Industrial Complex Co.,Ltd	1,155	82,808
	Bloom SK Fuel Cell, LLC	6,211	25,684
	Godeok Clean Energy Co., Ltd.	11,392	799
	Chuncheon Green Energy Inc.	21,442	-
	Boryeong LNG Terminal Co., Ltd	7,887	-
	Darwin LNG Pty Ltd.	78,305	-
	F&U Credit Information Co., Ltd.	346	4,417
	SK Hynix Inc.	390,104	337,780
	Best Oil Company Ltd.	126,494	7,321
	Asia Bitumen Trading Pte. Ltd.	2,755	-
	Huizhou EVE United Energy Co., Ltd.	40,350	177,551
	Daehan Kanggun BCN Co. Ltd.	26,850	-
	Haman Green Energy Co., Ltd.	2,933	34,735
	Goseong Green Power Co., Ltd.	62,026	1,458
	Songsan Green Energy Co.,Ltd.	-	34,949
	DCK One Co., Ltd.	99	19,071
	BLOOMENERGY CORPORATION	-	244,313
	SMCore. Inc.	178	3,285
Peru LNG Company, LLC.	7,841	-	
Others	95,916	31,737	
Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology	9,053	99,148
	XINGLU (HONGKONG) LIMITED	11,833	-
	Happynarae Co., Ltd.	2,650	30,721
	SK hynix Semiconductor (China) Ltd.	33,694	241
	SK Hynix Semiconductor Hongkong	-	139,326
	Korea Nexlene Company	24,365	498
	Ulsan Aromatics Co., Ltd.	5,385	9,532
	SK Gas Co., Ltd.	28,147	142,550
	SK Chemicals Co., Ltd.	7,234	1,422
	SK Shieldus Co., Ltd.	39,774	36,287
	UNA Engineering Co., Ltd.	363	10,811
	Ulsan GPS Corporation	7,415	321
	SK Bioscience Co., Ltd.	9,893	370
	SK Multi utility Co., Ltd.	281	1,842
Others	25,496	26,013	
		₩ 1,428,867	₩ 1,728,370

(*1) The Group recognized bad debt expense and write-off each amounting to ₩1,134 million and ₩(-)103,505 million for the year ended December 31, 2023 (for the year ended December 31, 2022: bad debt expense of ₩451 million, others of ₩(-)73,767 million). The Group recognized the allowance for doubtful accounts amounting to ₩172,219 million and ₩261,317 million as of December 31, 2023 and December 31, 2022, respectively.

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

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33. Transactions with related parties (cont'd)

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

Company	Currency	For the three-month period ended			
		March 31, 2024		March 31, 2023	
		Loans	Collection	Loans	Collection
Yemen LNG Company Ltd.	KRW	843	-	6,840	-
Gray Whale Offshore Wind Power No.1 Co., Ltd.	KRW	-	-	360	-
Gray Whale Offshore Wind Power No.2 Co., Ltd.	KRW	-	-	192	-
Gray Whale Offshore Wind Power No.3 Co., Ltd.	KRW	-	-	1,095	-
KCMT Co., Ltd.	KRW	3,020	-	-	-
Haman Green Energy Co., Ltd.	KRW	-	(2,921)	-	-
Darwin LNG Pty Ltd.	KRW	22,201	-	-	-
SK Growth Opportunities Corporation	USD	900	-	-	-

(5) There were additional capital contribution transactions for investments in associates and joint ventures for the three-month periods ended March 31, 2024 and 2023 (See Notes 9, 10).

(6) Guarantees provided among the Group entities as of March 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.	SK On Co., Ltd.	KRW	2,000,000	Guarantee of debt
	SK Battery America, Inc.	USD	753,400	Guarantee of debt
	SK On Hungary Kft.	USD	220,000	Guarantee of debt
	BlueOval SK, LLC	USD	125,000	Guarantee of debt
		USD	2,683,000	Performance guarantees for invest
	SK Battery Manufacturing Kft.	USD	500,000	Guarantee of debt
SK Innovation Co., Ltd. and SK On Co., Ltd.	SK Earthon Co., Ltd.	HUF	34,194,000	Guarantee of local factory construction
	SK On Hungary Kft.	USD	33,000	Guarantee of mandatory work load
		HUF	9,809,730	Guarantee of local factory construction
SK On Co., Ltd.	SK Battery America, Inc.	USD	3,653,400	Guarantee of loan related
	SK On Hungary Kft.	USD	2,790,000	Guarantee of loan related
SK ie technology Co., Ltd.	SK Battery Manufacturing Kft.	USD	1,050,000	Guarantee of loan related
	SK On Yancheng Co., Ltd.	CNY	4,300,000	Guarantee of loan related
	SK Hi-Tech Battery Materials(Jiang Su) Co., Ltd	CNY	480,000	Guarantee of debt
	SK hi-tech battery materials Poland sp. z o.o.	USD	696,000	Guarantee of debt
SK Geo Centric Co., Ltd.	SK Energy Europe, Ltd.	USD	135,000	Guarantee of PCG
	SK GC Americas, Inc.	USD	140,000	Guarantee of loan related
	SK Functional Polymer, S.A.S.	EUR	161,000	Guarantee of loan related
SK Square Co., Ltd.	Incross Co., Ltd.	KRW	22,084	Performance guarantees for contract
SK E&S Co., Ltd.	LNG Americas, Inc.	USD	378,000	Guarantee for derivative hedge and others
	Paju Energy Service Co., Ltd.	KRW	350,000	Guarantee of debt
	Narae Energy Service Co., Ltd.	KRW	270,000	Guarantee of debt
	Yeou Energy Service Co., Ltd.	KRW	200,000	Guarantee of debt
	Prism Energy International Pte. Ltd.	USD	641,000	Guarantee for derivative hedge and others
	I GE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.,	USD	318,476	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.			
	Grid Solution LLC	USD	60,000	Guarantee of LC
	LNG Americas, Inc.	USD	59,342	Performance guarantee for contract and others
	GridSolutionII, LLC	USD	100,000	Performance guarantee for contract
SK Ecoplant Co., Ltd.	PassKey, Inc.	USD	52,313	Performance guarantee for contract
	SKEC Anadolu, LLC	EUR	30,666	Performance guarantee for contract and others
	Silvertown Investco Limited	GBP	10,671	Guarantee of financial obligation
	Sunlake Co., Ltd.	CAD	6,000	Guarantee of financial obligation
	SK Ecoplant Americas Corporation(formerly, BETEK)	USD	112,000	Guarantee of debt and others
	RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd)	KRW	27,160	Fund supplement agreement for loan agreement
	Renewland Singyeongju Co., Ltd. (Formerly, Samwon ENT Co., Ltd.)	KRW	88,700	Conditional debt acquisition
	ECO FRONTIER (SINGAPORE) PTE. LTD.	USD	420,000	Guarantee of payment and others
	SK Ecoengineering Co., Ltd.	KRW	324,309	Joint liability joint debt
	SEONGJU TECH CO.,LTD.	KRW	13,000	Conditional debt acquisition

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33. 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.(Formerly, Honam Environment Energy Co., Ltd.)	KRW	4,920	Guarantee of debt
	Gyeongsan Clean Water Way Co., Ltd.	KRW	8,200	Guarantee of loan agreement
SK Networks Co., Ltd.	SK Networks Hong Kong Ltd.	USD	87,000	Standing surety for investee
	SK Networks (Shanghai) Co., Ltd.	CNY	54,000	Standing surety for investee
	SK Networks (Xiamen) Steel Processing Center Co., Ltd.	CNY	68,000	Standing surety for investee
SKC Co., Ltd.	SK ENPULSE Co., Ltd.	KRW	10,000	Guarantee of corporate bond
	Absolics Inc.	USD	162,000	Guarantee of payment
SK ENPULSE Co., Ltd	SKC(Nantong) Semiconductor Materials Technology Co., Ltd.	USD	20,800	Guarantee of payment
	SKC Semiconductor (Wuxi) Co., Ltd.	CNY	120,000	Guarantee of payment
		USD	2,400	Guarantee of payment
SK Specialty Co., Ltd.	SK specialty Jiangsu Co., Ltd.	CNY	147,020	Guarantee of payment
	SK specialty Taiwan Co., Ltd.	CNY	58,800	Guarantee of debt
	SK specialty Japan Co., Ltd.	USD	2,000	Guarantee of debt
	SK specialty (Xi'an) Co., Ltd.	JPY	276,000	Guarantee of debt
SK Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	2,400	Guarantee of debt
	SK Siltron USA, Inc.	USD	258,000	Guarantee of debt
SK Pharmteco Inc.	Center For Breakthrough Medicines Holdings, LLC	USD	95,000	Guarantee of debt
		USD	20,000	Performance guarantee for contract
SK Biotek Co., Ltd.	SK Biotek Ireland Limited	USD	20,000	Guarantee for credit limit
		EUR	10,000	Guarantee for EPA

(7) Detail of 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 three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Salaries	₩ 2,627	₩ 4,292
Retirement allowance	857	1,082
Share-based payment expenses	1,105	(2,029)
	<u>₩ 4,589</u>	<u>₩ 3,345</u>

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34. Discontinued operations

(1) Details of discontinued operations

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations with the sale of its resource business to clean up non-core businesses, strengthen its financial soundness and secure investment funds, before the prior period. In addition, the entity decided to discontinue operation along with the replacement of SK Magic's home appliance division scheduled to be sold during the prior period.

SKC Co., Ltd., a subsidiary of the Group, decided to sell Wet Chemical and Cleaning Business in China on September 12, 2023 after approval by the board of directors to secure financial resources for growth investment to focus on high value-added material parts business. Accordingly, the profit and loss of SKC-ENF Electronic Materials Ltd. and SKC solmics Hong Kong Ltd. were classified as gain and loss from the discontinued operation.

SKC Co., Ltd., a subsidiary of the Group, decided to sell its Fine Ceramic division on October 30, 2023, to create synergy by strengthening corporate competitiveness and improving management efficiency, and classified related profits and losses as gains and losses from the discontinued operation.

SKC Co., Ltd., a subsidiary of the Group, has decided to transfer all of the shares in SK Pucore Co., Ltd. to Korea PU Holdings Co., Ltd. following the decision of the board of directors on October 12, 2023. The expected transfer date is February 29, 2024. In addition, according to the decision of the board of directors on October 12, 2023, SKC has decided to transfer all of the shares in SKC (Nantong) PU SPECIALTY CO., LTD. to Daejinhap Automotive Parts Limited and classified related profits and losses as gains and losses from the discontinued operation.

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 during the three-month period ended March 31, 2023.

(2) Gains and losses from the discontinued operation for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended March 31, 2024		
	Resource business and other in SK Networks Co., Ltd.	Fine Ceramic business in SKC Co., Ltd.	Total
Revenue	₩ 27,680	₩ 260,400	₩ 288,080
Expenses	30,911	136,295	167,206
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	(3,231)	124,105	120,874
Income tax expense (benefit)	(388)	29,958	29,570
Profit (loss) for the period from discontinued operations	₩ (2,843)	₩ 94,147	₩ 91,304
Attributable to			
Owners of the parent	₩ (1,364)	₩ 42,609	₩ 41,245
Non-controlling interests	(1,479)	51,538	50,059

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34. Discontinued operations (cont'd)

For the three-month period ended March 31, 2023				
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business in SKC Co., Ltd.	Security business in SK Square Co., Ltd.	Total
Revenue	₩ 61,341	₩ 198,648	₩ 426,259	₩ 686,248
Expenses	75,721	199,177	392,520	667,418
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	(14,380)	(529)	33,739	18,830
Income tax expense (benefit)	(2,547)	2,726	(34,245)	(34,066)
Profit (loss) for the period from discontinued operations	₩ (11,833)	₩ (3,255)	₩ 67,984	₩ 52,896
Attributable to:				
Owners of the parent	₩ (5,308)	₩ (1,475)	₩ 20,405	₩ 13,622
Non-controlling interests	(6,525)	(1,780)	47,579	39,274

(3) Details of cash flows relating to discontinued operations for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

For the three-month period ended March 31, 2024			
	Resource business and others in SK Networks Co., Ltd.	Fine Ceramic business in SKC Co., Ltd.	
Cash flows from operating activities	₩ 13,758	₩ (25,932)	
Cash flows from investing activities	(222)	389,274	
Cash flows from financing activities	685	(8,182)	
Increase in cash and cash equivalents	₩ 14,221	₩ 355,160	

For the three-month period ended March 31, 2023			
	Resource business and others in SK Networks Co., Ltd.	Industry material business and others in SKC Co., Ltd.	Security business in SK Square Co., Ltd.
Cash flows from operating activities	₩ (90)	₩ 18,420	₩ 40,481
Cash flows from investing activities	(1,624)	(4,389)	(77,870)
Cash flows from financing activities	993	(7,458)	(7,353)
Increase in cash and cash equivalents	₩ (721)	₩ 6,573	₩ (44,742)

35. Assets and liabilities held for sale

(1) Summary of assets and liabilities held for sale

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

The Group 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.

SK Networks Co., Ltd., a subsidiary of the Group, decided to sell the Home appliances business segment 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 and Cleaning Business in China on September 12, 2023 after approval by the board of directors to secure financial resources for growth investment to focus on high value-added material parts business. Accordingly, assets and liabilities were classified as held-for-sale.

SKC Co., Ltd., a subsidiary of the Group, has decided to transfer all of the shares in SK Pucore Co., Ltd. to Korea PU Holdings Co., Ltd. following the decision of the board of directors on October 12, 2023. The assets and liabilities were sold as of February 29, 2024.

In addition, according to the decision of the board of directors on October 12, 2023, SKC has decided to transfer 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, decided to sell its Fine Ceramic division on October 30, 2023, to create synergy by strengthening corporate competitiveness and improving management efficiency, and classified related assets and liabilities as held-for-sale.

SK earthon Co., Ltd., a subsidiary of the Group, entered into a contract on February 7, 2024, to sell its entire stake in Peru LNG Company L.L.C. to MidOcean Vicuna Holdings LTD. for the purpose of securing investment funds for future growth businesses. The sale was completed on April 23, 2024.

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

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

		March 31, 2024	
		Assets	Liabilities
Investment securities	ESR Cayman Limited (*1)	₩ 141,188	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment Association	818	-
Business segment	China business segment	74,505	21,658
	Resources business segment	18,318	7,310
	Home appliances business segment	77,042	1,476
	Cartini business segment	2,696	1,363
	Semiconductor materials business segment	123,863	88,417
Associates	SOCAR, Inc. (*2)	54,652	-
	DAEKYO Contents Investment Fund I	746	-
	Peru LNG Company, LLC	278,316	-
	Joyvio Group Co., Ltd.	166,665	-
Others	Property, plant and equipment and others	3,628	37
		<u>₩ 946,716</u>	<u>₩ 120,261</u>

(*1) As of March 31, 2024, the book value includes ₩33,538 million in valuation loss on the investment securities.

(*2) As of March 31, 2024, the book value includes ₩9,434 million in reversal of impairment loss.

		December 31, 2023	
		Assets	Liabilities
Investment securities	ESR Cayman Limited (*1)	₩ 174,725	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment Association	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. (*2)	90,436	-
	DAEKYO Contents Investment Fund I	746	-
Others	Property, plant and equipment and others	3,598	39
		<u>₩ 1,347,102</u>	<u>₩ 304,148</u>

(*1) As of December 31, 2023, the book value includes ₩86,245 million in valuation loss on the investment securities.

(*2) As of December 31, 2023, the book value includes ₩18,869 million in impairment loss.

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36. Cash flow information

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Provision for pension benefits	₩ 102,517	₩ 88,047
Depreciation	1,783,501	1,737,728
Amortization	466,479	436,454
Bad debt expenses	14,891	19,112
Reversal of loss on valuation of inventories	(185,908)	(424,882)
Interest expenses	929,774	755,234
Loss on foreign currency translation	433,059	457,836
Loss on valuation of derivatives	382,718	176,628
Loss on disposal of trade receivables	23,973	35,029
Loss on disposal of property, plant and equipment	6,557	8,493
Loss on impairment of property, plant and equipment	1,146	13,622
Loss on disposal of intangible assets	1,196	445
Loss on impairment of intangible assets	2,769	1,112
Tax expense	499,418	41,280
Share of profit of equity-accounted investees, net	(457,130)	545,407
Interest income	(252,367)	(198,442)
Gain on foreign currency translation	(293,946)	(298,454)
Gain on valuation of derivatives	(373,945)	(271,046)
Dividend income	(23,063)	(36,616)
Gain on disposal of investments in associates and joint ventures	(35,392)	(12,133)
Gain on disposal of property, plant and equipment	(13,315)	(5,746)
Gain on disposal of intangible assets	(6,718)	(620)
Gain on disposal of assets held for sale	(130,839)	-
Others	83,971	55,122
	₩ 2,959,346	₩ 3,123,610

(2) Details of working capital adjustments for the three-month periods ended March 31, 2024 and 2023 are as follows (Korean won in millions):

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Inventories	₩ (899,901)	₩ 399,282
Trade receivables	(240,646)	130,968
Other receivables	226,252	106,710
Trade payables	1,902,832	230,807
Other payables	(2,991,410)	(1,711,057)
Advances received	61,221	(37,301)
Retirement benefits	(190,133)	(86,874)
Plan assets	246,687	87,641
Others	81,533	459,036
	₩ (1,803,565)	₩ (420,788)

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

	For the three-month period ended	
	March 31, 2024	March 31, 2023
Increase (decrease) in other payables due to acquisition of property, plant and equipment and others	₩ 464,735	₩ (776,762)

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37. Commitments and contingencies

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

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Korea Software Financial Corporation	KRW	10,195	Performance guarantees for contract and others
	Seoul Guarantee Insurance	KRW	562,168	Performance guarantees for contract and others
Netruck Co., Ltd	Seoul Guarantee Insurance and others	KRW	4,236	Performance guarantees for contract and others
Won Poll	Seoul Guarantee Insurance	KRW	776	Performance guarantees for contract and others
SK Incheon Petrochem Co., Ltd	KPIOCEANCONNECTPTE.LTD. and others	USD	27,000	Export letter of credit
Blueoval SK LLC	Ford Moter Company	USD	125,000	Incentive guarantee
SKONHUNGARYKFT.	INGBANKHUNGARYBRANCH	HUF	72,800,000	Investment in Ivánca incentive guarantee
		EUR	1,200	Investment performance guarantees following the receipt of investment incentive
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	589	Performance guarantees for contract
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	28,524	Guarantee of warranties-contract
	Korea Content Financial Cooperative	KRW	42,649	Guarantee of warranties-contract
SK M & Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,284	Guarantee of bid payment and others
	Shinhan Bank	KRW	1,000	Guarantee of Korean won
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	1,543	Performance guarantees
Service Ace Co., Ltd.	Seoul Guarantee Insurance	KRW	1	Guarantee of bid payment
Dreamus company Co., Ltd.	Seoul Guarantee Insurance	KRW	1,353	Performance guarantees for contract
Seoul Airbus Co., Ltd.	Seoul Guarantee Insurance	KRW	64	Performance guarantees for contract and others
GOOD SERVICE Co.,LTD	Seoul Guarantee Insurance	KRW	87	Performance guarantees for contract
YLP inc.	Seoul Guarantee Insurance	KRW	1,388	Performance guarantees for contract and others
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	5,092	Performance guarantees for contract and others
One store Co., Ltd.	Seoul Guarantee Insurance	KRW	547	Guarantee for E-commerce and others
	KEB Hana Bank	KRW	100	Guarantees for prepayment method and payment of Korean won
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,156	Specific debt guarantee
SK Store Co., Ltd.	Kookmin Bank	KRW	1,280	Performance guarantees and others
11street Co., Ltd.	Seoul Guarantee Insurance	KRW	16,499	Guarantee of deposit on lease and others
	KEB Hana Bank	KRW	27,000	Performance guarantees and others
FSK L&S Co., Ltd.	Seoul Guarantee Insurance	KRW	3,790	Performance guarantees for contract and others
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	11,575	Performance guarantees and others
	KEB Hana Bank	KRW	3,000	Performance guarantees and others
SK O&S Co., Ltd.	Seoul Guarantee Insurance	KRW	50,000	Performance guarantees for contract and others
SK Networks Co., Ltd.	Seoul Guarantee Insurance	KRW	7,729	Performance guarantees for contract and others
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	18,683	Performance guarantees for sales contract
	KEB Hana Bank	KRW	1,200	Performance guarantees for contract
SK Magic Co., Ltd.	Seoul Guarantee Insurance	KRW	16,353	Performance insurances for warranties and others
SK Rent-a-Car Co., Ltd.	Seoul Guarantee Insurance	KRW	11,325	Performance guarantees for contract
EN-CORE CO., LTD.	Seoul Guarantee Insurance	KRW	1,679	Performance guarantees
SK E&S Co., Ltd.	Seoul Guarantee Insurance	KRW	120,087	Performance guarantees for contract
	Kookmin Bank	USD	80,000	Guarantee of debt
	Shinhan Bank	KRW	61,086	Guarantee of debt
		USD	80,000	Guarantee of debt
	BNP Paribas	USD	71,000	PPA Bid Guarantee
Yeongnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,449	Guarantee of warranties and approval
Chonnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	157	Performance insurances for warranties and gas bill guarantee
Busan City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	6,468	Guarantee of seizure contract and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	1,647	Performance guarantees and
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	430	Performance guarantees for approval and warranties

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37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,179	Performance insurances for warranties and others
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,772	Performance guarantees for contract
Paju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	442	Performance guarantees for approval and others
Narae Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	4,900	Guarantee of license to use state property and others
Yeosu Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	398	Performance guarantees for deposit on approval and others
Dangjin Haengbok Solar Co., Ltd.	Seoul Guarantee Insurance	KRW	3,211	Guarantee of payment of facility restoration and relocation work expenses
Busan Jungkwan Energy Co., Ltd.	Seoul Guarantee Insurance	KRW	88,921	Performance guarantees for contract and others
Prism Energy International Zhoushan Limited	KEB Hana Bank Beijing Branch	CNY	13,470	Guarantee of Terminal fee
BU12 Australia Pty. Ltd., BU13 Australia Pty. Ltd., SK E&S Australia Pty. Ltd., SK Ecoplant Co., Ltd.	ANZ Bank	USD	318,476	BU gas field recovery cost
	ANZ Bank	USD	219	Deposit on lease
	HSBC and others	USD	331,474	Performance guarantees for overseas construction and others
		VND	559,076,309	Performance guarantees for overseas construction and others
		TRY	26,816	Performance guarantees for overseas construction and others
		KWD	57,654	Performance guarantees for overseas construction and others
		AED	87,503	Performance guarantees for overseas construction and others
		QAR	81,716	Performance guarantees for overseas construction and others
		HKD	36,441	Performance guarantees for overseas construction and others
		NOK	370,295	Performance guarantees for overseas construction and others
	KEB Hana Bank	USD	117,324	Performance guarantees for overseas construction and others
		EUR	84,938	Performance guarantees for overseas construction and others
		GBP	18,900	Performance guarantees for overseas construction and others
	Korea Eximbank	USD	90,969	Performance guarantees for overseas construction and others
		NOK	136,302	Performance guarantees for overseas construction and others
		EUR	12	Performance guarantees for overseas construction and others
	Korea Housing Guarantee Co., Ltd.	KRW	4,784,313	Housing guarantees and others
	Seoul Guarantee Insurance	KRW	342,035	Performance guarantees for domestic construction and others
	Engineering Financial Cooperative	KRW	854,984	Domestic construction contract
	Construction Guarantee Cooperative	KRW	7,206,124	Performance guarantees for domestic construction and others
	Korea Trade Insurance Corporation	KRW	95,000	Insurance of overseas investment and others

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37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Oceanplant Co.,Ltd.	Samkang Metal Co., Ltd.	KRW	5,403	Performance guarantees for domestic construction and others
	Industrial Bank of Korea Korea Defense Guarantee Cooperative and others	USD	3,704	PBOND
		KRW	469,767	PBOND and APBOND
	Busan Bank	KRW	5,500	Guarantee of Korean won and others
		USD	851	PBOND
	Korea Development Bank Seoul Guarantee Insurance	KRW	3,000	Guarantee of Korean won
		KRW	348,233	Guarantee of payment and others
	Song Mu-seok	EUR	1,824	Guarantee of payment and others
		USD	21,136	Guarantee of payment and others
	Korea Eximbank	USD	840	Borrowing and guarantee
		EUR	1,990	Borrowing and guarantee
	Shinhan Bank	USD	8,413	Performance guarantees for contract and others
		KRW	76,065	Guarantee of foreign currencies and others
	Machinery Financial Cooperative and others	USD	10,911	Guarantee of foreign currencies
		EUR	1,658	Guarantee of foreign currencies
	Construction Guarantee Cooperative KEB Hana Bank	KRW	48,672	Advance payment guarantee
		KRW	3,742	Warranties
	Korea Trade Insurance Corporation Seoul Guarantee Insurance	KRW	92,705	Guarantee of Korean won
		USD	22,697	PBOND
	SAM KANG S&C Co., Ltd	USD	18,325	Guarantees for overseas sale
KRW		6,175	Guarantee of payment and others	
SK Ecoengineering Co., Ltd.	EUR	1,824	Guarantee of payment and others	
	KRW	600,415	Payment Guarantee, Performance guarantees for construction	
Kookmin Bank	EUR	3,801	Guarantee of foreign currencies	
	USD	7,879	Guarantee of foreign currencies	
Busan Bank Seoul Guarantee Insurance	USD	15,000	Guarantee of payment	
	USD	317	Performance guarantees for construction	
Engineering Financial Cooperative Woori Bank	KRW	724	Payment guarantee	
	PLN	11,896	Performance guarantee	
Construction Guarantee Cooperative	KRW	253,532	Performance guarantee	
	USD	13,500	Guarantee of foreign currencies	
Renewus Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	KRW	86,338	Performance guarantees for business, construction, warranties and others	
Seoul Guarantee Insurance	KRW	106,306	Performance guarantees for contract, payment, construction, advance payment and others	
	Engineering Financial Cooperative	KRW	164,445	Guarantees for contract, advance payment, warranties and others
ECO FRONTIER (SINGAPORE) PTE. LTD.	MAYBANK SINGAPORE LIMITED	SGD	752	BANKERSGUARANTEE
Topsun Co.,Ltd.	Seoul Guarantee Insurance	KRW	53,825	Bid Contract Defect Payment Guarantee
	Koea credit guarantee fund Electric contractors' financial cooperative	KRW	8,650	Guarantee of debt
KRW		29,938	Bid Contract Defect Payment Guarantee	
Renewenergy Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	1,584	Performance guarantees for contract and others
Renewcon Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	1,267	Performance guarantees for contract and others
Renewenergy Saehan Co., Ltd.	Seoul Guarantee Insurance	KRW	17,000	Performance guarantees for contract and others
Renewenergy Jeonnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,405	Performance guarantees for contract and others
Renewland Cheongju Co., Ltd.	Seoul Guarantee Insurance	KRW	8,919	Performance guarantees for contract and others
DY INDUS CO.,LTD.	Seoul Guarantee Insurance	KRW	1,146	Abandoned Waste Disposal Performance Guarantee
DY POLRIMER CO.,LTD.	Seoul Guarantee Insurance	KRW	24	Guarantee of bid payment
SK Signet Inc.	Seoul Guarantee Insurance	KRW	6,357	Performance guarantees for contract, payment, warranties and deposits
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW	253	Performance guarantees for sales contract
SK Tri Chem Co., Ltd. ISC Co., LTD.	Seoul Guarantee Insurance	KRW	915	Performance guarantees and others
	Seoul Guarantee Insurance	KRW	305	Performance guarantees for contract and others
SK Specialty Co., Ltd.	Seoul Guarantee Insurance	KRW	174	Performance guarantees and others

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37. Commitments and contingencies (cont'd)

(2) Guarantees provided to related parties and others as of March 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.	Ford Motor Company and Ford's subsidiaries	USD	7,000,000	Performance guarantees for contract
SK Geo Centric Co., Ltd.	Terra Power, LLC SABIC SK Nexlene Company Pte. Ltd.	USD USD	151,000 180,000	Performance guarantees for invest RCF and others
SK Incheon Petrochem Co., Ltd	HSBC and others	USD	136,000	Import letter of credit and others
Iberian Lube Base Oils S.A.	Puertos del Estado and others	EUR	1,127	Guarantee for installing facilities and others
Netruck Co., Ltd.	Korea Electric Power Corporation and others	KRW	73	Electricity Bill Payment Guarantee and others
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	158	Performance guarantees for insurance and others
SK Communications Co., Ltd.	Kakaopay Corp. Purchaser or right holder of electronic payment method	KRW KRW	10 300	Usage Contract Protection of user funds from electronic financiers
Dreamus Company Co., Ltd.	Youngkwang Precision Industry Co., Ltd. and others	KRW	317	Performance guarantees for contract
Incross Co., Ltd	NAVER Corporation	KRW	9,000	Performance guarantees for contract
	Smart Media Labs Co., Ltd.	KRW	250	Performance guarantees for contract
	LG Uplus Corp.	KRW	600	Performance guarantees for contract
	Kakao Corp.	KRW	8,340	Performance guarantees for contract
	Kakao Games Corp.	KRW	1,496	Performance guarantees for contract
	KT Corporation	KRW	898	Performance guarantees for contract
SK Ecoplant Co., Ltd.	KCMT Co., Ltd.	KRW	5,203	Joint Guarantee Debt
	KT Corporation	KRW	2,145	LTSA Additional guarantee
	ChangwonEnerPark Co., Ltd.	KRW	6,707	LTSA Additional guarantee
	SE Greenenergy Co.,Ltd.	KRW	12,000	LTSA Additional guarantee
	Paju EcoEnergy Co., Ltd.	KRW	11,690	LTSA Additional guarantee
	Korea East-West Power Co., Ltd.	KRW	70,720	LTSA Additional guarantee
	Korea Midland Power Co., Ltd.	KRW	7,106	LTSA Additional guarantee
	Korea Western Power Co., Ltd.	KRW	83,410	LTSA Additional guarantee
	DaewonGreenEnergy	KRW	12,000	LTSA Additional guarantee
	Gangneung Sacheon Fuel Cell Co., Ltd.	KRW	16,000	LTSA Additional guarantee
	Chuncheon Green Energy Inc.	KRW	23,756	LTSA Additional guarantee
	Seokmun Green Energy Co., Ltd.	KRW	12,000	LTSA Additional guarantee
	Korea Real Estate Investment & Trust Co., Ltd.	KRW	690,705	Housing guarantee
	Asia Trust Co., Ltd.	KRW	738,263	Housing guarantee
	POSCO Eco & Challenge Co., Ltd.	KRW	705	Joint Subcontracting Joint Liability
	Hanyang Corporation	KRW	24,927	Joint Subcontracting Joint Liability
	Daewoo Engineering & Construction Co., Ltd.	KRW	1,656	Joint Subcontracting Joint Liability
	Samsung C&T Corporation	KRW	719	Joint Subcontracting Joint Liability
	Samco Construction Co., Ltd.	KRW	7,516	Joint Subcontracting Joint Liability
	Smartrail Co., Ltd.	KRW	42,861	Joint Guarantee Debt
	Cheongju Hi Water Co., Ltd.	KRW	2,889	Joint Guarantee Debt
	EAST SEOUL UNDERPASS COMPANY	KRW	14,839	Performance guarantees for contract
	SBC General Trading & Contracting Co. WLL and others	KWD	4,500	Credit limit guarantee
	HCM001, LLC	USD	110,137	Performance guarantee
	HCS001, LLC	USD	171,997	Performance guarantee
	QH Oil Investments LLC	USD	31,576	Guarantee of warranties
Topsun Co.,Ltd.	Natural Otupia	KRW	130	Seoul Guarantee Insurance Joint Guarantee
	Bodae Energy Co., Ltd.	KRW	23	Seoul Guarantee Insurance Joint Guarantee
	Sannari Solar Co., Ltd.	KRW	25	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
	TOPSUN SOLAR NO.1	KRW	112	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

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37. Commitments and contingencies (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee
Renewus Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	Geochang Malgunmool Sarang Co.,Ltd.	KRW	1,586	Payment Guarantee Related to Affiliate Loan
	Gyeongsan Pure Water Co. Ltd.	KRW	887	Payment Guarantee Related to Affiliate Loan
	GYEONGSAN CLEAN ENERGY CO.,LTD	KRW	5,013	Payment Guarantee Related to Affiliate Loan
	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	Payment Guarantee Related to Affiliate Loan
	ASAN GREEN ENVIRONMENT CO., LTD.	KRW	2,489	Payment Guarantee Related to Affiliate Loan
	Asanseo Seafood Gil Co., Ltd.	KRW	2,036	Payment Guarantee Related to Affiliate Loan
	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	Payment Guarantee Related to Affiliate Loan
	The 2nd Yangsan Echo Line Co., Ltd	KRW	4,230	Payment Guarantee Related to Affiliate Loan
	Jinan Bio Energy Co., Ltd.	KRW	2,660	Payment Guarantee Related to Affiliate Loan and others
	Jinju Echo Line Co.,Ltd.	KRW	11,195	Payment Guarantee Related to Affiliate Loan
	CHEONAN CLEAN WATER LOAD CO.,LTD.	KRW	5,635	Payment Guarantee Related to Affiliate Loan
	CHUNCHEON CLEAN WATER LOAD CO.,LTD.	KRW	2,405	Payment Guarantee Related to Affiliate Loan
	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	Payment Guarantee Related to Affiliate Loan
	Green Seobu Environment Co., Ltd.	KRW	1,748	Guarantee of debt payment
HONGSUNG Malgunmool Sarang CO.,LTD.	KRW	6,153	Guarantee of debt payment	

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37. Commitments and contingencies (cont'd)

(3) PF contingencies

1) PF Summary table

As of March 31 2024, the consolidated entity provides credit enhancement of ₩1,006,865 million (₩984,665 million as of December 31, 2023) up to the limitation of a loan balance of ₩1,248,754 million (₩1,243,538 million as of December 31, 2023) in relation to PF, of which ₩803,889 million (₩783,889 million as of December 31, 2023) is for the consolidated entity alone and ₩202,976 million (₩200,776 million as of December 31, 2023) is for the consortium participation project.

There was no case that was recorded as a contingent liability at the end of previous term and converted into a provision during the current term.

Among these, we are providing credit enhancement of ₩192,450 million, based on the loan balance (₩170,350 million as of December 31, 2023), with a guarantee limit for related parties of ₩206,940 million (₩184,420 million as of December 31, 2023).

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 March 31, 2024	Within 3 months	3 months ~ 6 months	6 months ~ 12 months
Maintenance Business	Main PF		₩ 47,867	₩ 47,867	₩ 39,889	₩ -	₩ -	₩ -
	Total		47,867	47,867	39,889	-	-	-
Other Business	Bridge Loan		232,800	232,800	214,000	-	120,000	94,000
	Main PF		709,500	709,500	550,000	-	-	-
	Total		942,300	942,300	764,000	-	120,000	94,000
Sole Business Total			₩ 990,167	₩ 990,167	₩ 803,889	₩ -	₩ 120,000	₩ 94,000
Maintenance Business	Main PF	Entire Group	₩ 170,584	₩ 168,345	₩ 132,370	₩ 95,000	₩ -	₩ 4,226
			168,371	166,132	130,526	95,000	-	4,226
	Total	Entire Group	170,584	168,345	132,370	95,000	-	4,226
			168,371	166,132	130,526	95,000	-	4,226
Other Business	Main PF	Entire Group	257,760	248,399	207,000	-	-	-
			90,216	86,939	72,450	-	-	-
	Total	Entire Group	257,760	248,399	207,000	-	-	-
			90,216	86,939	72,450	-	-	-
Consortium Total			428,344	416,744	339,370	95,000	-	4,226
			258,587	253,071	202,976	95,000	-	4,226
Grand Total			₩ 1,418,511	₩ 1,406,911	₩ 1,143,259	₩ 95,000	₩ 120,000	₩ 98,226
			₩ 1,248,754	₩ 1,243,238	₩ 1,006,865	₩ 95,000	₩ 120,000	₩ 98,226

Type	Contract		Guarantee Limit	Guarantee amount	Loan Balance 1 year~ 2 years	2 years ~ 3 years	Over 3 years	December 31, 2023
Maintenance Business	Main PF		₩ 47,867	₩ 47,867	₩ -	₩ 19,000	₩ 20,889	₩ 39,889
	Total		47,867	47,867	-	19,000	20,889	39,889
Other Business	Bridge Loan		232,800	232,800	-	-	-	194,000
	Main PF		709,500	709,500	220,000	-	330,000	550,000
	Total		942,300	942,300	220,000	-	330,000	744,000
Sole Business Total			₩ 990,167	₩ 990,167	₩ 220,000	₩ 19,000	₩ 350,889	₩ 783,889
Maintenance Business	Main PF	Entire Group	₩ 170,584	₩ 168,345	₩ 4,311	₩ 15,368	₩ 13,465	₩ 132,270
			168,371	166,132	4,311	13,524	13,465	130,426
	Total	Entire Group	170,584	168,345	4,311	15,368	13,465	132,270
			168,371	166,132	4,311	13,524	13,465	130,426
Other Business	Main PF	Entire Group	257,760	248,399	207,000	-	-	201,000
			90,216	86,939	72,450	-	-	70,350
	Total	Entire Group	257,760	248,399	207,000	-	-	201,000
			90,216	86,939	72,450	-	-	70,350
Consortium Total			428,344	416,744	211,311	15,368	13,465	333,270
			258,587	253,071	76,761	13,524	13,465	200,776
Grand Total			₩ 1,418,511	₩ 1,406,911	₩ 431,311	₩ 34,368	₩ 364,354	₩ 1,117,159
			₩ 1,248,754	₩ 1,243,238	₩ 296,761	₩ 32,524	₩ 364,354	₩ 984,665

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37. Commitments and contingencies (cont'd)

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

As of the end of the current period, the details of the PF (loan) guarantees for 15 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 ₩1,006,865 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):

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	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	112,800	100%	112,800	-
	Busan	Business facilities	Bridge loan	Cash deficiency support	120,000	100%	120,000	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	-
Sole business total					₩ 990,167		₩ 990,167	
Maintenance business	Ulsan	Apartment	Main PF	Joint guarantee	₩ 5,072	100%	₩ 5,072	-
	Gwangju	Apartment	Main PF	Joint guarantee	5,173	100%	5,173	-
	Daejeon	Apartment	Main PF	Joint guarantee	5,814	100%	5,814	-
	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	123,500	100%	123,500	-
Other business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	257,760	35%	86,940	Y
Consortium total					₩ 428,344		₩ 253,071	
Grand Total					₩1,418,511		₩1,243,238	

(*) 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%.

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	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	94,000	94,000	23.05 ~ 24.11	'24.11	ABL and ABSTB	-
	Busan	Business facilities	Bridge loan	Cash deficiency support	120,000	100,000	23.09 ~ 24.07	'24.07	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
Sole business total					₩ 803,889	₩ 783,889	-	-	-	₩ 330,000

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37. 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	₩ 4,226	20.06 ~ 24.11	'24.11	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	4,845	22.09 ~ 27.07	'27.07	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	12,734	12,734	21.12 ~ 26.12	'26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	790	790	22.03 ~ 26.07	'26.07	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	8,620	8,620	22.11 ~ 28.01	'28.01	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	95,000	94,900	23.04 ~ 28.01	'24.04	Loan, ABS, ABCP	-
Other business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency Support and completion	72,450	70,350	22.10 ~ 25.08	'25.08	Loan	147,782
Consortium total					₩ 202,976	₩ 200,776				₩ 147,782
Grand Total					₩ 1,006,865	₩ 984,665				₩ 477,782

3) Real Estate PF liability agreement

As of March 31, 2024 and December 31, 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):

	March 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	24	₩ 4,447,657	₩ 5,665,822	₩ 3,824,848	26	₩ 5,029,473	₩ 6,143,121	₩ 3,955,095
Other business(Group)	24	4,447,657	5,598,804	3,760,264	26	5,029,473	6,076,106	3,892,370
Total	24	₩ 4,447,657	₩ 5,665,822	₩ 3,824,848	26	₩ 5,029,473	₩ 6,143,121	₩ 3,955,095
Total(Group)	24	₩ 4,447,657	₩ 5,598,804	₩ 3,760,264	26	₩ 5,029,473	₩ 6,076,106	₩ 3,892,370

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37. Commitments and contingencies (cont'd)

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

As of March 31 2024, the consolidated entity has entered into an agreement to guarantee ₩187,093 million (₩113,790 million as of December 31, 2023) for the buyer's construction progress payment loans related to the renovation business. Furthermore, in relation to other businesses, it has made an agreement to guarantee ₩913,748 million (₩724,375 as of December 31, 2023) for the buyer's construction progress payment loans. (Korean won in millions):

	March 31, 2024			December 31, 2023				
	Number	Contract Amount	Agreed Amount	Loan Balance	Number	Contract Amount	Agreed Amount	Loan Balance
Maintenance business	9	₩ 482,246	₩ 401,872	₩ 216,488	10	₩ 471,280	₩ 411,643	₩ 203,031
Maintenance business(Group)	9	391,408	326,173	187,093	10	256,093	223,081	113,790
Other business	14	2,173,902	1,808,752	913,748	12	1,840,416	1,530,847	760,799
Other business(Group)	14	2,173,902	1,808,752	913,748	12	1,606,416	1,335,846	724,375
Total	23	₩ 2,656,148	₩2,210,624	₩ 1,130,236	22	₩ 2,311,696	₩ 1,942,490	₩ 963,830
Total(Group)	23	₩ 2,565,310	₩2,134,925	₩ 1,100,841	22	₩ 1,862,509	₩ 1,558,927	₩ 838,165

5) Real Estate PF's SOC guarantee loan

As of March 31 2024, the consolidated entity provides credit enhancement such as fulfillment and provision for the outstanding loan balance of ₩757,953 million (₩758,855 million as of December 31, 2023), up to a limit of the consolidated entity's share of ₩1,341,505 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):

	Number	March 31, 2024			Number	December 31, 2023		
		Contract Amount (Total)	Agreed Amount (Group)	Loan Balance (Group)		Contract Amount (Total)	Agreed Amount (Group)	Loan Balance (Group)
SOC	14	₩ 4,872,113	1,341,505	757,953	14	₩ 4,872,113	1,341,505	758,855

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37. Commitments and contingencies (cont'd)

(4) Pending litigations

The Group's significant pending litigations as of March 31, 2024, in which the Group is a defendant are as follows (Korean won in millions and foreign currencies in thousands):

Defendant	Plaintiff	Description	Currency	Claim	Status
Dreamus Company Co., Ltd.	Individual	Claim for infringement of neighbouring rights	KRW	693	First trial in progress
Tmap Mobility Co., Ltd.	ELUON CMS Corporation	Claim for license contract	KRW	543	First trial in progress
11Street Co., Ltd	Individual and others	Claim for damages and others	KRW	466	First trial in progress and others
SK Planet Co., Ltd.	Korea gold exchange Co.,Ltd.	Claim for settlement	KRW	486	First trial in progress
SK Broadband Co., Ltd.	KISTI(Korea Institute of Science and Technology Information) and others	Claim for damages and others	KRW	8,153	First trial in progress and others
SK Telecom Co., Ltd.	HSF and others	Claim for damages and others	KRW	122,412	Second trial in progress and others
SK M&SERVICE CO.,LTD.	Individual	Claim for confirmation of unfair dismissal	KRW	10	Second trial in progress
SK Networks Co., Ltd.	Individual and others	Claim for damages and others	KRW	1,673	First trial in progress and others
SK Rent-a-Car Co., Ltd.	Individual and others	Claim for restitution of unjust enrichment and others	KRW	1,412	First trial in progress and others
SK Magic Co. Ltd	Individual and others	Claim for contract termination invalidation confirmation and others	KRW	57	First trial in progress and others
SK Nexilis Co., Ltd.	Individual and others	Claim for damages and others	KRW	5,921	Second trial in progress and others
SK ENPULSE Co., Ltd.	POSCO Eco&Challenge Co., Ltd.	Claim for damage	KRW	4,000	First trial in progress
Busan City Gas Co., Ltd.	HDC-labs Co., Ltd. and others	Claim for payment of construction and others	KRW	534	Second trial in progress
Narae energy service Co., Ltd.	Korea Electric Power Corporation	Claim for contract penalty	KRW	2,694	Second trial in progress
EverCharge, Inc., Mobility Solution I, Inc., Mobility Solution II, Inc., PassKey, Inc	Individual	Claim for damage	USD	3,300	First trial in progress
SK Ecoplant Co., Ltd.	K-Water Resources Corporation	Claim for restitution of design	KRW	3,004	Third trial in progress
	WoryeongSKOceanView residents' representative meeting and others	Claim for damages and others	KRW	40,504	Second trial in progress and others
	NSRP	Claim for payment of construction	KRW	118,249	First trial in progress
	PNPC	Claim for payment of construction	KRW	437,710	Arbitration in progress
	Godeok Clean Energy Co., Ltd	Claim for damages	KRW	18,309	First trial in progress
	Republic of Korea	Claim for damages	KRW	4,689	First trial in progress
RenewUs Co., Ltd. (Formerly, Environment Management Corporation Co., Ltd).	Siheung City and others	Claim for contribution and others	KRW	2,768	First trial in progress and others
SK Oceanplant Co.,Ltd.	JEONJIN OCEAN DEVELOPMENT CO.,LTD. and others	Claim for payment of construction and others	KRW	2,924	First trial in progress and others
Topsun Co.,Ltd.	Individual and others	Claim for damages and others	KRW	4,765	First trial in progress and others
SK Ecoengineering Co., Ltd.	ADAMIETZ	Claim for payment of construction	KRW	7,050	First trial in progress
Renewenergy Chungbuk Co., Ltd.	Seunggwang Environment Co., Ltd.	Claim for confirmation of debt non-existence	KRW	51	Second trial in progress
SK Biopharmaceuticals Co., Ltd.	Individual and others	Claim for severance pay and employee invention compensation and others	KRW	300	First trial in progress and others

37. Commitments and contingencies (cont'd)

On May 15, 2021, SK Innovation Co., Ltd., a subsidiary of the Group, LG Chem Co., Ltd. and LG Energy Solution Co., Ltd., which is a corporation split-off from LG Chem Co., Ltd. agreed to withdraw all domestic and foreign disputes, be exempt from obligations, and prohibit similar or identical disputes for 10 years. An agreement was concluded to include permanent licenses for trade secrets and patents. Accordingly, ₩1 trillion in cash was paid over 2021 and 2022 to LG Energy Solution Ltd, and royalties up to ₩1 trillion corresponding to a certain percentage of sales will be paid to LG Energy Solution Ltd from 2023. Meanwhile, cash payments to LG Energy Solution Co., Ltd., has been completed as of March 31, 2024, and the amount of royalties corresponding to a certain percentage of sales revenue have been recognized as expenses since the previous fiscal period.

On May 4, 2020, the Attorney General Office of California, USA, filed a civil lawsuit in the California District Court located in San Francisco against Vitol Inc., SK Trading International Co., Ltd. and SK Energy Americas Inc., the subsidiaries of the Group, for manipulating the market price of gasoline products and anti-competitive and unfair practices during the refinery explosion in 2015. Since May 6, 2020, end-users of gasoline have filed a number of collective lawsuits in California federal court. These series of litigation cases are undergoing a discussion on the conclusion of an agreement between the California Attorney General's Office, SK Trading International, SK Energy America, Inc., and Vitol Inc. On the other hand, in the case of class action in federal court, the duration and final outcome cannot be predicted at the moment.

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.

Before the previous year, the Perupetro S.A., a Peruvian state-owned oil company and mining rights management agency, received a preliminary injunction from the local judiciary to suspend the liquidation procedure of the operator and during the previous year, the Peruvian Environmental Assessment and Supervision Authority (OEFA) fined the operator related to the restoration of the workplace and environmental pollution charge. Accordingly, SK Innovation Co., Ltd. recognized the expense of ₩3,518 million during the current period and the cumulative amount recognized expense of up to the current period is ₩6,657 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.

Metro Site in Georgia, U.S., filed a lawsuit against its subsidiary SK Battery America, Inc. on July 31, 2023, in connection with a fire at a recycling facility. The value of the lawsuit is USD 26.6 million, and the duration and final outcome cannot be predicted at the moment.

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 the moment.

SKC Co., Ltd., a subsidiary of the Group, guarantees 50% of claim amounts related to the patent litigation filed by Kaneka Corporation against PI Advanced Materials Co., Ltd. As of March 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 had not been 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, in 2020, the Group paid PI Advanced Materials Co., Ltd. USD 7,836 thousand which is 50% of USD 15,671 thousand in damages. Based on the final results of litigation, the Group may have to bear additional costs according to the ratio as specified by the payment arrangement. As of March 31, 2024, it is not possible to predict the final outcome of the first trial and the timing of the damage compensation determination.

37. Commitments and contingencies (cont'd)

(5) Commitments

- 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 Trading International Co., Ltd., SK ie technology Co., Ltd., SK On Co., Ltd, and SK Earthon Co., Ltd. are collectively responsible for any obligations of the Company arising before the spin-off. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations of the Company that occurred before the spin-off on April 1, 2011 and the Company and SK Specialty Co., Ltd. are collectively responsible for any obligations of SK Materials Co., Ltd. (formerly) that occurred before the spin-off on December 1, 2021.
- 2) The Group has signed a lease contract for the head office building from SK REITs Co., Ltd. The lease contract period under this lease contract is until July 5, 2026, and 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 lessor to purchase the building at fair prices when it is sold.
- 3) The Group has signed IT outsourcing and IT System Maintenance contracts with SK Group affiliates to maintain, develop IT system and supply hardware.
- 4) The Group signed a sales contract with Gyeonggi-do on May 31, 2011 for urban support facilities in Pangyo Housing Development District. The total contract amount of the contract is 82,964 million won, and the Group 's land contract according to the share ratio (54.9%) is 45,536 million won. Meanwhile, the building was completed and registered for the preservation of ownership in August 2014, and the transfer of purpose land and buildings is restricted to third parties for 10 years from the time of registration of the preservation of ownership.
- 5) 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	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 for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.	
Premium	The Group pays to the investor the amount equivalent to 3.899% of the remaining contract amount of the remaining target shares on the third month from the contract date (the "premium payment date"). On the other hand, if the investor receives dividends on the shares held, the amount is shall be paid to the Group.	
Call option	The Group may request the purchase of the common stock held by the investor at the contract amount plus a certain level of additional charges on the first day of each year between the date of the investment termination and the maturity date.	

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37. Commitments and contingencies (cont'd)

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

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

As of March 31, 2024, the value of the agreements amounting to ₩169,131 million is recognized in long-term borrowings (See Note 17).

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

	Total return swap
Investor	MD Prime 1 st Co., Ltd.
Number of shares	4,640,199
Contract date	November 4, 2022
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 for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.
Premium	At the date when three months passed after the last premium payment date or the effective date ("premium payment date") during the period from the effective date to the expiration date of this Agreement, the Group shall pay the remaining contract amount of the remaining shares multiplied by the TRS Premium (rate of return on final asking price of 91-day Transferable Certificate of Deposit (CD) plus 1.80% of annual rate). On the other hand, if an investor receives dividends or other receivables from holding the target stock, the relevant amount must be paid to the Group.
Call option	On each premium payment date (every three months from the effective date of this contract), the Group may claim all remaining underlying assets (ordinary shares that SK E&S 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.

As of March 31, 2024, the value of the agreements amounting to ₩677,775 million is recognized in long-term borrowings (See Note 17).

37. Commitments and contingencies (cont'd)

- 8) The Group entered into a cash deficiency support agreement with Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc. a subsidiary to lend funds insufficient to repay the principal and interest of loans and credit limit of USD 236,000 thousand.
- 9) The Group entered into a cash deficiency support agreement with Abrasax Investment Inc., a subsidiary to lend insufficient funds to repay the principal and interest of loans and credit of up to USD 315,000 thousand.
- 10) The Group has entered into an agreement between shareholders with Resonac Holdings Corporation in relation to the investment of SK Resonac Corporation, a subsidiary, and in accordance with this agreement, Resonac Holdings Corporation has the right to sell 630,000 shares (15%) of SK Resonac Corporation at ₩5,000 per share when a specific event occurs. The Group recognizes financial liabilities of ₩3,150 million in accordance with the above agreement related to SK Resonac Corporation.
- 11) Areca, Inc., Chamaedorea, Inc., and Tillandsia, Inc., subsidiaries, acquired shares in 8 Rivers Capital, LLC in 2022 and 2023, and considered it to be in control and incorporated shares into the consolidated target. The agreement concluded during the acquisition includes 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

- 12) The Group has entered into an agreement 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.
- 13) LNG Americas, Inc, a subsidiary, is scheduled to be provided with liquefaction service for 20 years from FLNG Liquefaction 3, LLC, which plans to operate natural gas liquefaction plants in Texas starting from 2020. As of March 31, 2024, SK E&S Co., Ltd., a subsidiary, 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 E&S Co., Ltd.'s guarantee.

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37. Commitments and contingencies (cont'd)

14) As of March 31, 2024, details of contracts of the subsidiaries of SK E&S Co., Ltd. are as follows:

<u>Contracting parties</u>	<u>Description of contract</u>	<u>Counterparty</u>	<u>Term of contract</u>
Kangwon City Gas Co., Ltd. and 7 subsidiaries	Contract for the long-term supply of natural gas (*1)	Korea Gas Corporation Co., Ltd.	-
Busan Jungkwan Energy Co., Ltd.	Contract for the long-term supply of natural gas (*1)	Korea Gas Corporation Co., Ltd.	20 years from 2008.7
SK E&S Co., Ltd.	Contract for the supply of natural gas	Tanggung PSC Contractor Parties	2006.1 ~ 2026.12
	Contract for the repair and maintenance of gas turbine	GE International Inc.	2004.6 ~ 2026.12 (estimated)
	Contract for the storage and vaporization service of natural gas	POSCO ENERGY Co., Ltd.	2005.6 ~ 2025.12
	Contract for the storage and vaporization service of natural gas	Boryeong LNG Terminal Co., Ltd	2020.7 ~ 2040.12
	Rental contract of the plant and tower site	POSCO Co., Ltd.	20 years from 2017
	Contract for the REC trading	Godeok Green Energy Co., Ltd. and others	20 years from 2021
	Contract for direct power transaction	SK Specialty Co., Ltd. and others	20 years from 2023
	Contract for power supply	Dangjin Haengbok Solar Co., Ltd. and others	2003.8 ~ 2028.12
Paju Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	20 years from contract
	Contract for the REC trading	GeoGeum Solar Park Co., Ltd. and others	20 years from the time of supply
	Contract for LTSA	Doosan Fuelcell Co., Ltd.	2014.6 ~ 2031.6 (estimated)
Narae Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	15 years from 2018
	Contract for the long-term maintenance program	Doosan Enerbility Co., Ltd.	10 years from performance warranty date
	Contract for the operation and maintenance program	Jeonbuk Group Energy Co., Ltd. and Gimcheon Energy Service Co., Ltd.	2015.1 ~ 2032.1 (estimated)
	Contract for the long-term supply of natural gas	Korea Gas Corporation Co., Ltd.	2012.9 ~ 2030.9 (estimated)
	Contract for the REC trading	K Solar E Ho Co., Ltd. and others	2015.1 ~ 2025.1
Narae Energy Service Co., Ltd. and Paju Energy Service Co., Ltd	Contract for the use of plumbing system	Korea Gas Corporation Co., Ltd.	20 years from 2017
Yeoju Energy Service Co., Ltd.	Contract for the storage and vaporization service of natural gas	Boryeong LNG Terminal Co., Ltd	20 years from 2017
	Contract for LTSA	Siemens Gas & Power GmbH and Siemens Energy Ltd.	2019.12 ~ 2047.12 (estimated)
	Contract for the use of plumbing system	Korea Gas Corporation Co., Ltd.	2022.11 ~ 2042.10
LNG Americas, Inc.	Contract for the use of manufacturing facilities	Korea Gas Corporation Co., Ltd.	2022.11 ~ 2042.10
	Contract for the liquefaction and storage of natural gas	FLNG Liquefaction 3, LLC	20 years from 2020
	Contract for the use of natural gas pipeline	Kinder Morgan, Inc.	20 years from 2020
Prism Energy International Pte. Ltd.	Contract for the supply of natural gas	SHELL EASTERN TRADING PTE LTD and others	2019.6 ~ 2041.6
	Time charter contract	SK Shipping Co., Ltd.	20 years from ship delivery date
	Contract for the supply of LNG	Generadora San Felipe Limited Partnership	10 years from commencement date
SK E&S Australia Pty. Ltd.	Contract for FPSO	BW Offshore Singapore Pte. Ltd. (Australia Branch)	15 years from service date
	Contract for the liquefaction service of natural gas	Darwin LNG Pty. Ltd. and others	2020.12 (contract)
			15 years from service date (estimated)
Prism Energy International Zhoushan Limited IGE Co., Ltd	Contract for the storage and vaporization service of natural gas	ENN (Zhoushan) LNG Co., Ltd.	2020.7 ~ 2030.7
	Contract for liquid hydrogen facility management and operation contract	Korea Gas Technology Corporation	2023.3 ~ 5 years from the commercial operation start date
	Contract for residual hydrogen sales	SK Incheon Petrochem Co., Ltd.	20 years from the commercial operation start date
	Contract for liquid hydrogen transportation	CJ Logistics Corporation	2023.11 ~ 2033.12

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

37. Commitments and contingencies (cont'd)

15) As of March 31, 2024, Prism Energy International Pte. Ltd. has provided a Letter of Undertaking (LOU) to HHIENS1 Shipholding S.A., HHIENS2 Shipholding S.A., HHIENS3 Shipholding S.A., and HHIENS4 Shipholding S.A. in relation to LNG carriers. Accordingly, SK E&S shall bear all obligations related to the performance of the contract if SK Shipping Co., Ltd. fails to fulfill the contract (BBCHP) concluded with the ship's owner.

16) As of March 31, 2024, the main purchase contracts concluded by the subsidiaries of SK E&S Co., Ltd. are as follows. (Korean won in millions):

<u>Name of subsidiaries</u>	<u>Description of contract</u>	<u>Contract opponent</u>	<u>Term of contract</u>	<u>Amount</u>
Narae Energy Service Co., Ltd.	Contract for heat piping and others	DREAMLINE.CO,LTD. and others	2022.04 ~ 2025.04	₩ 10,759
Yeoju Energy Service Co., Ltd.	Yeoju natural gas power Plant EPC contract (*1,2)	SK Ecoengineering Co., Ltd.	2019.12 ~ 2024.04 (scheduled)	₩ 664,091

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

(*2) During the three-month period ended March 31, 2024, the contract extension is being negotiated to meet the expected contract term.

17) As of March 31, 2024, the subsidiaries of SK E&S Co., Ltd. are obligated to pay development costs corresponding to the share ratio in relation to the asset acquisition contract below.

<u>Name of subsidiaries</u>	<u>Description of contract</u>	<u>Counterparty</u>	<u>Equity ownership</u>
SK E&S Australia Pty. Ltd.	Barossa-Caldita, Australia	Santos NA Barossa Pty. Ltd.	37.50%
Dew Blaine Energy, LLC	Woodford, USA	Continental Resources, Inc.	49.90%
BU12 Australia Pty. Ltd.	East Timor Bayu-Undan	Santos NA Darwin Pipeline Pty. Ltd. and others	25.00%
BU13 Australia Pty. Ltd.	gas field and pipeline		
PRISM Darwin Pipeline Pty Ltd.	asset and acquisition		
Prism DLNG Pte Ltd	of a stake in Darwin LNG Pty Ltd.		

18) SK E&S Co., Ltd., a subsidiary, has agreed to invest a total of ₩10 billion in the CHA Partners Incheon H2 Mobility Infrastructure Private Equity Investment Co., Ltd for hydrogen business cooperation, and has completed 69.22% of the total investment agreement.

19) SK E&S Co., Ltd., a subsidiary, has agreed to invest a total of ₩113.6 billion in Jeonnam Marine Wind Power Co., Ltd. to cooperate with offshore wind power business, and has completed 59.70% of the total amount of investment agreement.

20) SK E&S Co., Ltd., a subsidiary, has agreed to invest a total of ₩88.6 billion in investment to SK Plug Hibus Co., Ltd. for cooperation in the hydrogen business, and has completed 49.55% of the total amount of investment agreement.

21) Pnes Investments, LLC, a subsidiary, has agreed to invest a total of USD 25 million in Grove Energy Capital II, LLC for hydrogen business cooperation, and has completed the total amount of the investment agreement.

22) SK E&S Co., Ltd, a subsidiary, has agreed to invest a total of ₩9.8 billion in the Truston ESG Renewable Energy General Private Investment Trust No. 1 for the development of the renewable energy business, and has completed 5.50% of the total investment agreement.

37. Commitments and contingencies (cont'd)

- 23) LAI CCS, LLC, a subsidiary, has agreed to a total investment of USD 110 million to Summit Carbon Holdings, LLC for cooperation in the North American carbon capture and storage business, and has completed the total investment agreement amount.
- 24) Grid Solution II LLC, a subsidiary, has conditionally agreed to make a total investment of USD 100 million to Rev Renewables LLC for cooperation in North America's energy solution business.
- 25) Prism Energy International Pte. Ltd., a subsidiary, has agreed to invest CNY 273 million to Jiangsu Huadian Ganyu LNG Co. Ltd. to secure the right to use through China LNG TML, and has now completed a total of 30.00%.
- 26) SK Energy Co., SK Incheon Petrochemical Co., SK ON Co., and SK Geo Centric Co., Ltd., subsidiaries, pay electricity bills and customs duties through B2B corporate contracts and national tax cards signed with certain financial institutions, and settle the payment with 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 ₩3,399,831 million, all of which is classified as current liabilities.
- 27) SK Innovation Co., Ltd., a subsidiary, sold its holdings (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	In the event that the largest shareholder sells under certain conditions	The right to sell Investor's shares under the same conditions as those applicable to the largest shareholder
Co-Sale Process	In the event of failure of Initial Public Offering ("IPO") within the agreed period (8 years) and the total amounts of cumulative dividends and distributable profits falling below an annual compound interest rate of 2.5% based on the IRR	The right to sell the shares held by the largest shareholder along with the shares held by Investors
Dividend policy decision-making right	In the event of failure of IPO within the agreed period (5 years)	The right to make decisions on dividend policies within a certain limit
Default Put Option	In the event of a serious violation of a specific obligation clause agreed with Investor executed with a deliberate and malicious purpose	The right to sell the investor's shares to the largest shareholder at an amount calculated by applying a 10% annual compound interest rate based on IRR to the investment principal (₩1,091,948 million).

37. Commitments and contingencies (cont'd)

28) SK Innovation Co., Ltd., a subsidiary, has signed a shareholders' agreement with investors related to shares newly issued through the paid-in capital increase of its subsidiary, SK ON Co., Ltd. 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 the largest shareholder's call option responding to drag-along right exercised by investors
- Investor's put option
- Restriction on the disposal of shares of the largest shareholder under certain conditions.

Details of rights granted to investor are as follows:

Description	Conditions	Rights
Tag-along right	In the event of transferring all or part of the shares held by the largest shareholder	The right to sell Investor's shares under the same conditions as those applicable to the largest shareholder
Drag-along right	In the event of a failure to complete a qualified listing that requires certain conditions, such as an IRR of 7.5% or higher, within 4 years of the agreement period (which can be extended twice by one year, respectively)	The right to sell the shares held by the largest shareholder along with the shares held by Investors
Put option	In the event of a serious violation of a specific obligation clause agreed with investors executed with a deliberate and malicious purpose	The right to sell the investor's 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, recognized ₩427,626 million in derivative financial instrument liabilities as of March 31, 2024 for the rights included in the shareholder's contract, such as the investor's Drag-Along right and the largest shareholder's call option.

29) 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 IAS No. 32, and the amount of bonds and financial liabilities set off as of March 31, 2024 is USD 2,540 million, and the book value after offset is ₩0.

37. Commitments and contingencies (cont'd)

30) SK Geo Centric Co., Ltd., a subsidiary, has been granted the right to claim the sale of shares of Samyang Ecotec Co., Ltd. (hereinafter referred to as "joint venture ") from Samyang Packaging (hereinafter 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 strategic partner does not bear the obligation to own the total number of shares (100%) issued by the affiliates due to the revision of the Fair Trade Act
- Where the strategic partner ceases to be a subsidiary of the holding company under the Fair Trade Act
- Where the strategic partner or joint venture is excluded from being an affiliate of Samyang business group under the Fair Trade Act (excluding cases where it is incorporated into another affiliate and is subject to restrictions on the actions of its subsidiary)

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

SK Geo centric Co., Ltd. must hold at least 50% of the shares of strategic partner acquired in the previous year before notification of the above right to claim for sale. If a part of the shares of strategic partner are to be disposed of to a third party, etc., the strategic partner must be notified in advance and the strategic partner can exercise their preferred purchase rights. In addition, if SK Geo centric Co., Ltd. wishes to directly dispose of more than 30% of its 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 the strategic partner if it intends to dispose of part or all of shares of the joint venture 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 shares by prior written notice, with a prior condition that a commitment stating is submitted to the strategic partner that they agree to assume its contractual obligations.

31) 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 IAS No. 32. As of March 31, 2024, 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.

32) As of March 31, 2024, SK Trading International Co., Ltd., a subsidiary, has the right to request the sale of all shares of Green Olios directly or indirectly owned by the other shareholder to 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.

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37. Commitments and contingencies (cont'd)

33) 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	1,236,543
Loan agreement	Long-term borrowings (*1,2)	KRW	977,500	-
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) As there are obligations to transfer goods to the customer, they have been recognized as a contract liabilities. As of March 31, 2024, the related contract liabilities are included in long-term advances received.

34) The capital contribution commitments of SK On Co., Ltd., a subsidiary, are as follows (Korean won in millions and foreign currencies in thousands):

	Currency	Committed contribution amount	Cumulative contribution amount	Remaining commitment amount
2 nd Battery Growth Private Equity Fund	KRW	6,700	5,360	1,340
MILLENNIUM NEW HORIZONS II, L.P.	USD	5,000	1,538	3,462
HSAGP Energy LLC	USD	1,227,387	920,540	306,847

35) Agents of SK Telecom Co., Ltd., a subsidiary, 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 ₩303,804 million and ₩291,747 million as of March 31, 2024 and December 31, 2023, which are recorded in receivables and long-term receivables.

36) At the board of directors on July 22, 2022, SK Telecom Co., Ltd., a subsidiary, 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 Hana Card Co., Ltd.'s common stock (39,902,323 shares) and all of Finnq Inc. (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 Group'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 Group Co., Ltd., and completed the purchase for the year ended December 31, 2022. Meanwhile, as part of the above transaction, SK Telecom Co., Ltd. sold the entire common stock (767,011 shares) of SK Square Co., Ltd. to Hana Card Co., Ltd. for ₩31,563 million on July 27, 2022. and obligated to purchase Hana Card Co., Ltd.'s common stock from July 27, 2022 to January 31, 2024 after depositing ₩68,437 million in a specific money trust through an agreement with Hana Card Co., Ltd. and completed the purchase for the year ended December 31, 2022. The shares acquired by SK Telecom Co., Ltd., Hana Financial Group Co., Ltd. and Hana Card Co., Ltd. cannot be sold until the end of March 2025.

37. Commitments and contingencies (cont'd)

- 37) SK Broadband Co., Ltd., a subsidiary, is entering into a Total Return Swap (TRS) with the beneficiaries of Aegis Specialized Investment Private Equity Real Estate Investment Trust No. 156 and Hana Alternative Investment Land Chip Private Equity Real Estate Investment Trust No. 62, respectively, and the beneficiary certificates of ₩270,000 million and ₩64,000 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 ₩20,923 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.
- 38) 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. If certain requirements are not met after the business combination according to the agreement, the shareholders of the merged company may exercise the right to claim the joint sale of SK Broadband Co., Ltd. held by SK Telecom Co., Ltd. If the shareholders of the merged company exercise the right, SK Telecom Co., Ltd. may exercise the right to claim the stock purchase. As of March 31, 2024, SK Telecom Co., Ltd. has recognized a total of ₩295,876 million in derivative financial liabilities (₩295,876 million as of December 31, 2023) for the rights included in the agreement between shareholders.
- 39) SK Ecoplant Co., Ltd., a subsidiary, pays the purchase obligations, etc. incurred by its main business activities through Corporate purchase exclusive card agreement signed with some financial institutions, and pays the payment to the credit card company at the end of the credit period under the agreement. The related unpaid amount is ₩244,986 million as of March 31, 2024.
- 40) SK Ecoplant Co., Ltd., a subsidiary, holds call options for non-controlling shareholders of Eco Frontier PTE.LTD. It has entered into a shareholder agreement to compensate for the difference between the call option exercise price and the actual external sale price when SK Ecoplant Co., Ltd. does not exercise the call option and non-controlling shareholders sell their stake to the outside.
- 41) 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 during 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.
- 42) 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.
- 43) SK Ecoplant Co., Ltd., a subsidiary, issued exchangeable bonds based on shares of Renewon Co., Ltd. (formerly, Daewon Green Energy Co., Ltd.) during the previous 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.
- 44) In connection with the sale of preferred stocks of RenewUs Co., Ltd (formerly, Environment Management Corporation CO., LTD.), SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement between shareholders to provide non-controlling shareholders with compensation for any shortfall if certain conditions are not met.

37. Commitments and contingencies (cont'd)

- 45) 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.
- 46) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with financial investors of DS Networks Youth Housing General Private Real Estate Development Investment Company No. 1 and No. 2, Signature Youth Housing General Private Real Estate Development Investment Company No. 1, K Square Eco Songpa PFV Co., Ltd., and YONGIN General Industrial Complex Co., Ltd. Under the agreement, financial investors may exercise put options on the consolidated entity for their shares.
- 47) The technology transfer contract status of SK Biopharmaceuticals Co., Ltd., a subsidiary, is as follows. (Korean won in millions and foreign currencies in thousands):

Contractor	Contract Year/month	Transferred technology	Region	Amount(*1)
Angelini Pharma S.p.A	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
Endo Ventures Limited	2021 / 12	Cenobamate	Canada	USD 20,000 CAD 21,000
DEXCEL LTD.	2022 / 05	Cenobamate	Israel, Palestain	USD 3,000
Eurofarma Laboratorios S.A	2022 / 07	Cenobamate	Latin America(*2)	USD 62,000
HIKMA MENA FZE	2023 / 08	Cenobamate	Middle East, North Africa(*3)	USD 3,000
Dong-A ST Co., Ltd	2024 / 01	Cenobamate	South Korea(*4)	KRW 19,000

(*1) The amount is upfront and milestone.

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

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

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

- 48) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a limited partner in the LifeSci Venture Partners Fund in the United States. As of March 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.

37. Commitments and contingencies (cont'd)

- 49) 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..

- 50) SKC Co., Ltd., a subsidiary, has signed a fund supplement agreement with KDB Development Bank and other lenders to lend insufficient funds in case of a shortage of principal and interest repayment funds in relation to the loan of ₩690,000 million.
- 51) 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 ₩750,000 million. As of March 31, 2024, SKC Co., Ltd. recognized derivative financial instrument assets of ₩11,122 million and derivative financial instrument liabilities of ₩10,293 million for these rights and obligations.
- 52) As of March 31, 2024, SK Networks Co., Ltd., a subsidiary, is obligated to make additional contributions to the Future Innovation Fund No.3. As of March 31, 2024, SK Networks Co., Ltd. plans to make additional capital contributions in the amount of ₩1,750 million and USD 33,693 thousand through a capital call.
- 53) The disposal of POSK (Pinghu) Steel Processing Center Co., Ltd. by SK Networks Co., Ltd., a subsidiary, is restricted under certain conditions.
- 54) SK Networks Co., Ltd., a subsidiary, has covenants such as right of first refusal and right to sell in connection with its equity investment in SK electlink Co., Ltd. and Upstage Co., Ltd, an affiliate.

37. Commitments and contingencies (cont'd)

- 55) The associates of SK Networks Co., Ltd., a subsidiary, SK MENA Investment B.V., SK LatinAmerica Investment S.A., SVA Venture Fund II, SK electlink Co., Ltd., and Kindred HM1, and long-term investment securities, including Kurly Inc., Port One Holdings, and Prostar Asia-Pacific Energy Infrastructure SK Fund L.P., Hashd Venture Investment Fund No.2, and IPI Partners II Fund, are subject to disposition restrictions under certain conditions.
- 56) In the case of equity investments in MycoWorks, Standard Cognition, Humane, and Source.ag, SK Networks Co., Ltd., a subsidiary, is obligated to respond to other shareholders' exercise of co-sale rights under the shareholders' agreement.
- 57) SK Networks Co., Ltd., a subsidiary, holds a call option to purchase a portion of the equity in its affiliate Upstage Co., Ltd., under certain conditions.
- 58) SK Square Co., Ltd., a subsidiary, was newly established for the purpose of managing and investing in investee companies related to semiconductors and new ICT among the businesses of SK Telecom Co., Ltd. prior to the spin-off, and pursuant to Article 530-9, Paragraph 1 of the Commercial Code, the SK Square Co., Ltd and SK Telecom Co., Ltd. are jointly and severally liable for the debts of SK Telecom Co., Ltd. prior to the spin-off.
- 59) SK Square Co., Ltd., a subsidiary, entered into an agreement between the financial investor of One store Co., Ltd. and the new shareholder, according to which the Group could not avoid its obligation to purchase the equity instruments and recognized ₩139,372 million as long-term payables corresponding to the present value of the redemption amount.
- 60) SK Square Co., Ltd., a subsidiary, entered into a shareholders' agreement with an investor of ₩500,000 million of convertible redeemable preferred shares issued by Eleven Street Co., Ltd. (the "Target Company") in September 2018. 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 during the year ended December 31, 2023, 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 the SK Square Co., Ltd. will be made after the investors' investment. As of March 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 March 31, 2024, SK Square Co., Ltd. recognized a derivative financial liability totaling ₩289,208 million (December 31, 2023 : ₩289,208 million) for the rights included in the shareholders' agreement.

37. Commitments and contingencies (cont'd)

- 61) Tmap Mobility Co., Ltd., a subsidiary, entered into an earn-out payment agreement with the seller upon the acquisition of 109,259 ordinary shares of SEOUL AIRPORT LIMOUSINE 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. During the three-month period ended March 31, in accordance with the contract, a payment of ₩13,918 million was made to the seller. As of March 31, 2024, Tmap Mobility Co., Ltd. recognized a derivative financial liability of ₩13,098 million (December 31, 2023 : ₩27,016 million) based on the estimated future passenger numbers under this agreement.
- 62) In connection with the capital increase of its subsidiary Tmap Mobility Co., Ltd., SK Square Co., Ltd. entered into a shareholders' agreement with the acquirer of the newly issued shares. Under the agreement, if certain conditions are not met after the capital increase, the acquirer 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 acquirer exercises such right, SK Square Co., Ltd. may exercise its right to purchase the shares. As of March 31, 2024, SK Square Co., Ltd. recognized derivative financial liabilities totaling ₩89,698 million (December 31, 2023 : ₩89,698 million) for these rights included in the shareholders' agreement.
- 63) 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. 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..

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37. Commitments and contingencies (cont'd)

(6) Hybrid bonds

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

Issue segment	Description	Issuance date	Maturity date (*1)	Interest rate (%) (*2)	March 31, 2024	December 31, 2023
Group of SK Innovation Co., Ltd. (*3)	1st private equity bond type	2019.03.15	2049.03.15	4.20	₩ -	₩ 600,000
Group of SK Innovation Co., Ltd.	2nd public equity bond type	2023.10.19	2053.10.19	7.30	140,000	140,000
Group of SK Innovation Co., Ltd.	3rd public equity bond type	2024.03.07	2054.03.07	6.50	460,000	-
Group of SK Telecom Co., Ltd.	3rd public equity bond type	2023.06.05	2083.06.05	4.95	400,000	400,000
Group of SK E&S Co., Ltd.	2nd Korean currency type	2019.10.11	2049.10.11	3.30	330,000	330,000
Group of SK E&S Co., Ltd.	3rd Korean currency type	2020.07.14	2050.07.14	3.60	400,000	400,000

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

(*2) After a certain period from the 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 ₩600,000 million on March 15, 2024.

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

As of March 31, 2024, the bills and checks provided to financial institutions as collateral for borrowings are as follows (Korean won in millions and except for number of papers):

Type (bill/check)	Papers	Account
Blank check	86	₩ -
Blank bill	28	-
Check	1	9,685
Bill	2	792

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38. Pledged assets

The following assets were pledged as collateral for the Group's borrowings and others as of March 31, 2024 (Korean won in millions and foreign currencies in thousands):

Company	Asset	Currency	Collateralized amount(*1)	Provided to	Description
Netruck Co., Ltd.	Property, plant and equipment	KRW	1,430	Hyundai Engineering and others	Collateral for pledging
Won Poll Co., Ltd.	Property, plant and equipment	KRW	3,360	Shinhan Bank	Collateral for borrowing
SK On Co., Ltd.	Property, plant and equipment	KRW	397,900	Kia corporation and Hyundai Motor company	Loan agreement and others
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	1,228	Industrial Bank of Korea	Restricted real rights for office lease
Incross Co., Ltd.	Financial instrument	KRW	22,084	Naver Co., Ltd. and others	Performance guarantees for contract
One store Co., Ltd.	Investment property	KRW	612	Shinhan Bank	Collateral for borrowing
SK Networks Co., Ltd.	Property, plant and equipment	KRW	391,217	Korea Development Bank	Collateral for sales
SK Magic Co., Ltd.	Property, plant and equipment	KRW	96,000	Korea Development Bank and others	Collateral for borrowing
SK Rent-a-Car Co., Ltd.	Property, plant and equipment	KRW	267,893	Korea Development Bank and others	Collateral for borrowing
	Financial instrument	KRW	300	Kodit 2022 the 5 th Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	300	Kodit Global 2022-1 Co., Ltd.	Collateral for borrowing
SK ENPULSE Co., Ltd.	Property, plant and equipment and others	KRW	28,000	Shinhan Bank	Collateral for borrowing
ISC Co., Ltd.	Property, plant and equipment	KRW	10,125	Shinhan Bank	Collateral for borrowing
SKCFTH Co., Ltd.	Investments in subsidiaries	KRW	828,000	Korea Development Bank and others	Collateral for borrowing
SK Nexilis Co., Ltd.	Property, plant and equipment	KRW	396,000	Korea Development Bank and others	Collateral for borrowing
Nexilis Management EUROPE B.V.	Investments in subsidiaries	KRW	522,940	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	33,600	Korea Development Bank	Collateral for borrowing
SK Nexilis Poland sp.z o.o.	Others	PLN	38,187	Crédit Agricole	Performance payment guarantees
SK E&S Co., Ltd.	Investments in subsidiaries	KRW	470,000	Korea Development Bank and others	Collateral for PF
		VND	1,156,600,000	Joint Stock Commercial Bank For Foreign Trade of Vietnam	Collateral for PF
	Investments in joint ventures	KRW	203,544	Korea Development Bank and others	Collateral for PF
		USD	14,000	BANGKOK BANK PUBLIC COMPANY LIMITED	Collateral for PF
		VND	1,102,500,000	Joint Stock Commercial Bank For Foreign Trade of Vietnam	Collateral for PF
	Investments in associates	KRW	26,485	Industrial Bank of Korea and others	Collateral for PF
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	360,000	Kookmin Bank and others	Collateral for borrowing
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	81	LG Hello Vision Co., Ltd.	Collateral for deposits received
Narae Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	505,000	Korea Development Bank and others	Collateral for borrowing
Yeoju Energy Service Co., Ltd.	Property, plant and equipment	KRW	601,200	Korea Development Bank and others	Collateral for PF
Busan Jungkwan Energy Co., Ltd.	Property, plant and equipment	KRW	100,800	NH Bank and others	Collateral for borrowing
IGE Co., Ltd.	Property, plant and equipment and others	KRW	493,800	Korea Development Bank	Collateral for PF

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38. Pledged assets (cont'd)

Company	Asset	Currency	Collateralized amount(*1)	Provided to	Description
SK Ecoplant Co., Ltd.	Debt instrument	KRW	33,253	CAPE Investment & Securities Co., Ltd. and others	Collateral for borrowing and others
	Investments in associates and others	KRW	1,244,470	Korea Development Bank and others	Collateral for borrowing
Seongju Tech Co., Ltd.	Others	KRW	31,200	Woori Bank	Collateral for borrowing
Renewenergy Chungnam Co., Ltd.	Property, plant and equipment	KRW	3,000	Korea Development Bank	Collateral for borrowing
Renewone Co., Ltd.	Investment securities and others	KRW	152,754	Korea Development Bank	Collateral for borrowing
Renewenergy Green Co., Ltd.	Property, plant and equipment	KRW	9,600	Korea Development Bank	Collateral for borrowing
Renewland Cheongju Co., Ltd.	Property, plant and equipment	KRW	10,800	Kyungnam Bank	Collateral for borrowing
DY INDUS Co., Ltd.	Property, plant and equipment	KRW	6,222	Industrial Bank of Korea	Collateral for borrowing
DY POLRIMER Co., Ltd.	Property, plant and equipment	KRW	6,300	Industrial Bank of Korea and others	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	288,980	KEB Hana Bank and others	Collateral for borrowing and others
	Financial instrument	KRW	5,000	Industrial Bank of Korea and others	Collateral for borrowing and others
	Debt instrument	KRW	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	85,198	KEB Hana Bank and others	Insurance pledge and others
RenewUs Co., Ltd. (Formerly, Environment Management Corporation Co., Ltd)	Property, plant and equipment	KRW	16,720	KEB Hana Bank and others	Collateral for borrowing and others
	Investments in associates	KRW	540,158	KEB Hana Bank and others	Collateral for borrowing and others
	Investment securities	KRW	110,075	Korea Development Bank and others	Collateral for borrowing and others
	Others	KRW	1,744,933	KEB Hana Bank and others	Collateral for pledging and others
Renewenergy Chungbuk Co., Ltd.	Property, plant and equipment	KRW	60,000	KEB Hana Bank and others	First beneficiary right of trust property
	Others	KRW	60,000	KEB Hana Bank and others	Comprehensive property insurance right
SKEC Nanjing Co., Ltd.	Financial instrument	KRW	26	Bank of China communications	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Investment property	CNY	1,600,000	Bank of China communications	Collateral for borrowing
SK Specialty Co., Ltd.	Property, plant and equipment	KRW	137,000	Korea Development Bank	Collateral for borrowing
		USD	3,690,000	Korea Development Bank	Collateral for borrowing
		JPY	3,500,000	Korea Development Bank	Collateral for borrowing
		KRW	1,668	Yeongju city and Gyeongsang Buk-do	Government subsidy
	Financial instrument	KRW	60	Kodit2022the9thSecuritization Specialty Co., Ltd.	Collateral for borrowing
		KRW	75	Kodit2022the10thSecuritization Specialty Co., Ltd.	Collateral for borrowing
		KRW	165	KODIT GLOBAL 2022-1 CO.,LTD.	Collateral for borrowing

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38. Pledged assets (cont'd)

Company	Asset	Currency	Collateralized amount(*1)	Provided to	Description
SK Specialty Japan Co., Ltd.	Property, plant and equipment	JPY	315,000	MUFG Bank	Collateral for borrowing
SK Materials Airplus Inc.	Property, plant and equipment	KRW	208,200	Shinhan Bank and others	Collateral for borrowing
SK Tri Chem Co.,Ltd	Property, plant and equipment	KRW	3,692	Sejong City	Local investment promotion subsidy support collateral
SK Resonac Corporation	Property, plant and equipment	KRW	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	990	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment and others	KRW	682,741	Korea Development Bank and others	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	120,000	Korea Development Bank	Collateral for borrowing
SK REIT Co., Ltd.	Investment property	KRW	1,147,466	The lender and the lessor	Collateral for borrowing
Clean Energy REITs Co., Ltd.	Investment property	KRW	555,553	The lender and the lessor	Collateral for borrowing
SK South East Asia Investment Pte. Ltd.	Financial instrument	VND	3,000,000	ADB and Vietcombank	Collateral for borrowing and others
TOTAL VALUE 1 REIT CO., LTD.	Investment property	KRW	305,989	The lender and the lessor	Collateral for borrowing
Clean Industrial Reit Co., Ltd.	Investment property	KRW	976,498	The lender and the lessor	Collateral for borrowing
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	3,840	SuwonHwaseongOsan Livestock Cooperative	Collateral for borrowing
Topsun Co.,Ltd.	Property, plant and equipment	KRW	12,600	KEB Hana Bank	Collateral for borrowing
	Financial instrument	KRW	264	Industrial Bank of Korea	Collateral for borrowing
	Others	KRW	4,200	Korea Development Bank and others	Collateral for borrowing
	Investment securities	KRW	850	Electric Contractorws' Financial Cooperative	Collateral for borrowing
Evertch Enterprise Co., Ltd	Property, plant and equipment	KRW	6,360	Industrial Bank of Korea	Collateral for borrowing
SK Signet Inc.	Property, plant and equipment	KRW	11,520	Korea Development Bank	Collateral for borrowing
	Financial instrument	USD	24,000	Industrial Bank of Korea	Collateral for borrowing
	Others	KRW	14,400	Korea Development Bank and others	Collateral for borrowing
Center For Breakthrough Medicines Holdings, LLC	Property, plant and equipment	USD	129,706	SK Pharmteco Inc.	Collateral for borrowing
	Loans	USD	1,948	SK Pharmteco Inc.	Collateral for borrowing
	Others	USD	140,942	SK Pharmteco Inc.	Collateral for borrowing
	Investment securities	USD	1,500	SK Pharmteco Inc.	Collateral for borrowing

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

39. Financial risk management

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

(1) Financial risk management

Risk management activities

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

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

(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 March 31, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Financial assets measured at FVTPL	₩ 9,958,870	₩ 8,898,332
Financial assets measured at FVOCI	301,280	215,670
Financial assets measured at amortized cost	40,583,745	38,050,733
Financial assets designated as hedging instruments	481,772	408,547
	<u>₩ 51,325,667</u>	<u>₩ 47,573,282</u>

Equity products are excluded from the table above because they are not related to credit risk.

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

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39. Financial risk management (cont'd)

2) Guarantees

SK Ecoplant Co., Ltd., one of the subsidiaries, offers payment guarantees for loans of project financing. The financing liabilities related to the payment guarantees recognized are ₩29,897 million as of March 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 March 31, 2024 and December 31, 2023(Korean won in millions):

	March 31, 2024		December 31, 2023	
SK Innovation Co., Ltd.	₩	1,503	₩	1,548
SK Ecoplant Co., Ltd.		29,897		26,833
SKC Co., Ltd.		2,123		-
SK Biotek Co., Ltd.		180		180
	₩	<u>33,703</u>	₩	<u>28,561</u>

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

3) Other financial assets

Credit risk arising from other financial assets consists of long-term and short-term financial instruments, occurrence of trade opponent arising from the bankruptcy, etc. In this case, the credit risk exposure of the Group will be the same as the book value of the maximum applicable financial instruments. On the other hand, the management of the Group's credit rating, because it is excellent to deal with financial institutions, is judged to have limited impact on the credit risk of the financial institutions of the Group.

(3) Liquidity risk

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

The contractual maturity of financial liabilities as of March 31, 2024 and December 31, 2023 are as follows. The amount includes interest payments and does not include the effect of the offsetting agreement. (Korean won in millions):

	March 31, 2024				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Borrowings	₩ 5,489,762	₩ 20,792,043	₩ 20,171,941	₩ 8,965,733	₩ 55,419,479
Bonds	2,051,552	7,291,343	28,481,091	6,515,106	44,339,092
Derivative financial liabilities	60,074	77,219	770,156	-	907,449
Trade payables	13,839,880	1,523,314	-	-	15,363,194
Lease liabilities	209,485	1,094,300	2,795,028	2,489,591	6,588,404
Other liabilities	9,450,780	3,953,378	1,348,165	272,515	15,024,838
Guarantee contracts	4,348,282	-	310,000	-	4,658,282
	₩ 35,449,815	₩ 34,731,597	₩ 53,876,381	₩ 18,242,945	₩ 142,300,738

	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

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39. Financial risk management (cont'd)

(4) Market risk

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

1) Currency risk

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

Details of foreign currencies and liabilities as of March 31, 2024 and December 31, 2023 are as follows (Korean won in millions and foreign currencies in thousands):

	Currency	March 31, 2024		December 31, 2023	
		Korean won equivalent	Foreign currencies	Korean won equivalent	Foreign currencies
Assets	USD	₩ 17,866,523	13,265,907	₩ 13,652,918	10,588,582
	JPY	159,194	17,897,477	136,740	14,982,526
	CNY	199,010	1,071,388	405,872	2,244,373
	EUR	371,716	255,839	493,118	345,662
	Others	845,081		567,599	
Liabilities	USD	₩ 24,825,612	18,433,035	₩ 18,761,399	14,550,488
	JPY	103,198	11,602,030	110,461	12,103,149
	CNY	904,410	4,868,961	1,155,280	6,388,412
	EUR	441,024	303,541	516,635	362,147
	Others	1,164,204		370,462	

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

Currency	For the three-month period ended March 31, 2024		For the year ended December 31, 2023	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (512,189)	₩ 512,189	₩ (375,984)	₩ 375,984
JPY	4,121	(4,121)	1,934	(1,934)
CNY	(51,917)	51,917	(55,156)	55,156
EUR	(5,101)	5,101	(1,731)	1,731
Others	(23,487)	23,487	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 21).

39. Financial risk management (cont'd)

2) Interest rate risk

Interest rate risk is the risk that the future cash flow of a financial instrument will fluctuate due to fluctuations in market interest rates. The Group maintains an appropriate balance between fixed-rate borrowings and variable-rate borrowings to manage interest rate risk, and hedging activities are regularly evaluated to appropriately adjust the interest rate status and defined risk propensity, and the optimal hedging strategy is applied (See Note 21).

(5) Capital risk management

The fundamental goal of capital management is to keep a sound financial structure. The Group is using the debt ratio, calculated as total debt divided by total amount of capital, as an indicator of capital management. The Group maintains a debt ratio of 170.0% as of March 31, 2024. The maturity of the debt is dispersed in the long term; so, debt-repayments are not demanding.

The Group's debt ratios as of March 31, 2024 and December 31, 2023 are as follows (Korean won in millions):

	March 31, 2024	December 31, 2023
Total liabilities	₩ 136,056,894	₩ 129,091,214
Total equity	80,048,768	77,879,050
Debt ratio	170.0%	165.8%

40. Events after the reporting period

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

SK Telecom Co., Ltd., a subsidiary, voted for a quarterly dividend at its board meeting dated April 25, 2024, and the main points are as follows.

	Description
Dividends	₩830 per share (total amount : ₩176,691 million)
Market dividend rate	1.55%
Dividend base date	March 31, 2024
Dividend payout date	Payment is expected within May 14, 2024 based on Article 165-12 (3) of the Capital Markets and Financial Investment Business Act

(2) Paid-in Capital Increase of a Subsidiary of SKC Co., Ltd.

SKC Co., Ltd., a subsidiary, resolved at the board meeting on April 25, 2024, to acquire 2,040 new shares and 1,560 existing shares of its subsidiary SK Leaveo Co., Ltd. (formerly, Ecovance Co., Ltd.) at ₩10,000,000 per share. The scheduled payment date for the acquisition is May 7, 2024.

(3) Resolution on the Disposal of Subsidiary Shares by SK enpulse Co., Ltd.

SK enpulse Co., Ltd., a subsidiary, decided to sell 15,394,500 issued shares of SKC solmics Hong Kong Limited to Shenyang Yichuang Precision Technology Co., Ltd. for ₩37,800 million, as resolved by the board on September 12, 2023. The planned transfer date is May 31, 2024.

SK enpulse Co., Ltd., a subsidiary, decided to sell 15,020,000 issued shares of SKC-ENF Electronic Materials Limited to Jiangsu Yoke Semiconductor Materials Co., Ltd. for ₩50,000 million, as resolved by the board on September 12, 2023. The planned transfer date is May 31, 2024.

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

(4) ISC Co., Ltd.'s Resolution on the Transfer of Business

ISC Co., Ltd., a subsidiary, entered into a business transfer agreement for the semiconductor interface board business division following a board resolution on April 8, 2024.

(5) Disposal of SK Rent-a-Car Co., Ltd. by SK Networks Co., Ltd.

SK Networks Co., Ltd., a subsidiary, selected Affinity Equity Partners as the preferred bidder for the sale of its subsidiary SK Rent-a-Car Co., Ltd. Furthermore, a binding memorandum of understanding (MOU) including the rights and obligations of the parties was signed on April 16, 2024, to negotiate the terms

(6) Contract for the Transfer of Business of SK Magic Co., Ltd. by SK Networks Co., Ltd.

SK Magic Co., Ltd., a subsidiary, signed a memorandum of understanding (MOU) related to the transfer of business, including the manufacturing, sales, and distribution of gas ranges, electric ranges, and electric ovens, as well as inventory assets and tangible and intangible assets, with Kyungdong Navien Co., Ltd. on January 3, 2024, for an expected transfer price of ₩40,000 million. Subsequently, the board resolved on May 8, 2024, to sell the related assets and liabilities for ₩37,000 million and signed the business transfer agreement on the same date.

(7) Disposal of Long-term Investment Assets by SK Square Co., Ltd

SK Square Co., Ltd., a subsidiary completed the sale of 1,085,600 ordinary shares of Krafton Inc., classified as long-term investment assets (acquisition cost: ₩182,381 million), to a third party for a sale price of ₩264,344 million on April 23, 2024.

(8) Fire at a Subsidiary of SK Innovation Co., Ltd.

On April 13, 2024, a fire occurred in the subsidiary materials warehouse of SK On (Jiangsu) Co., Ltd., causing damage to tangible and inventory assets. The assets were insured under a comprehensive property insurance policy, and the amount of the insurance claim will be determined by the insurer's loss adjustment. Meanwhile, the consolidated entity cannot reasonably predict the cash flows related to the fire damage as of March 31, 2024.

(9) Paid-in Capital Increase of a Subsidiary of SK Innovation Co., Ltd.

BlueOval SK, LLC, a subsidiary, conducted an equal paid-in capital increase of USD 712 million on April 29, 2024