



SK Inc. **AND ITS SUBSIDIARIES**

Condensed Consolidated Interim Financial Statements
June 30, 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 June 30, 2024, the related condensed consolidated interim statements of comprehensive income (loss) for the three and six-month periods ended June 30, 2024 and 2023, changes in equity and cash flows for the six-month periods ended June 30, 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 responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our reviews.

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

Conclusion

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

Other matters

The consolidated statement of financial position as of December 31, 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 June 30, 2024, for the three-month and six-month periods ended June 30, 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 Samjony Accounting Corp.

Seoul, Korea
August 14, 2024

This report is effective as of August 14, 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 June 30, 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)	
		June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Assets					
Current assets:					
Cash and cash equivalents	5	₩ 22,810,425	₩ 22,683,670	\$ 16,419,828	\$ 16,328,585
Short-term financial instruments	5, 38, 39	3,543,144	2,942,041	2,550,492	2,117,795
Trade receivables, net	5, 6, 33, 39	13,596,960	13,879,388	9,787,619	9,990,921
Other receivables, net	5, 6, 33, 39	3,241,423	3,060,312	2,333,302	2,202,931
Inventories, net	7	14,140,249	15,006,555	10,178,699	10,802,300
Short-term investment securities	5, 8, 38, 39	27,586	186,838	19,857	134,493
Other current assets	5, 6, 20, 21, 33, 38, 39	6,038,618	5,728,716	4,346,831	4,123,752
Assets held for sale	35	4,552,083	1,347,102	3,276,766	969,696
Total current assets		67,950,488	64,834,622	48,913,394	46,670,473
Non-current assets:					
Long-term financial instruments	5, 39	68,262	56,415	49,138	40,610
Long-term trade receivables, net	5, 6, 33, 39	559,332	545,442	402,629	392,630
Long-term other receivables, net	5, 6, 33, 39	775,695	809,912	558,375	583,006
Long-term investment securities	5, 8, 38, 39	7,417,481	7,544,076	5,339,390	5,430,518
Investments in associates and joint ventures	9, 10, 38	28,490,108	26,537,507	20,508,284	19,102,726
Property, plant and equipment, net	12, 38	77,755,889	73,494,432	55,971,702	52,904,141
Right-of-use assets, net	13	4,447,020	5,176,931	3,201,137	3,726,556
Investment property, net	14, 38	3,096,497	3,093,905	2,228,979	2,227,113
Goodwill	15	6,781,457	6,845,928	4,881,556	4,927,964
Intangible assets, net	16	11,238,026	11,741,419	8,089,567	8,451,928
Defined benefit assets	19	350,097	518,616	252,013	373,320
Deferred tax assets		1,917,755	1,749,089	1,380,474	1,259,062
Other non-current assets	5, 6, 20, 21, 33, 39	4,132,650	4,021,970	2,974,842	2,895,171
Total non-current assets		147,030,269	142,135,642	105,838,086	102,314,745
Total assets		₩ 214,980,757	₩ 206,970,264	\$ 154,751,480	\$ 148,985,218
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	5, 17, 38, 39	₩ 19,571,541	₩ 17,388,374	\$ 14,088,354	\$ 12,516,826
Trade payables	5, 33, 39	11,534,994	12,949,401	8,303,336	9,321,481
Other payables	5, 33, 39	8,962,093	9,731,378	6,451,262	7,005,023
Provisions	18	711,445	579,030	512,126	416,808
Current portion of long-term debt	5, 17, 38, 39	13,919,122	13,019,290	10,019,523	9,371,790
Other current liabilities	5, 6, 13, 20, 21, 33, 39	10,892,166	11,381,670	7,840,603	8,192,967
Liabilities held for sale	35	3,228,945	304,148	2,324,320	218,938
Total current liabilities		68,820,306	65,353,291	49,539,524	47,043,833
Non-current liabilities:					
Bonds and long-term borrowings	5, 17, 39	48,535,773	48,570,229	34,937,930	34,962,733
Long-term other payables	5, 39	994,456	1,342,164	715,848	966,142
Defined benefit liabilities	19	163,361	56,062	117,594	40,356
Provisions	18	1,207,753	1,226,618	869,387	882,967
Deferred tax liabilities		4,300,719	4,144,444	3,095,824	2,983,331
Other non-current liabilities	5, 6, 13, 20, 21, 33, 39	7,881,914	8,398,406	5,673,707	6,045,498
Total non-current liabilities		63,083,976	63,737,923	45,410,290	45,881,027
Total liabilities		131,904,282	129,091,214	94,949,814	92,924,860
Equity					
Equity attributable to owners of the parent:					
Share capital	1, 22	16,143	16,143	11,620	11,620
Other paid-in capital	23, 26	6,961,193	7,024,926	5,010,937	5,056,814
Retained earnings	24	13,643,729	13,668,066	9,821,285	9,838,804
Other components of equity	25	1,204,773	17,579	867,242	12,654
Equity attributable to owners of the Parent Company		21,825,838	20,726,714	15,711,084	14,919,892
Non-controlling interests	1	61,250,637	57,152,336	44,090,582	41,140,466
Total equity		83,076,475	77,879,050	59,801,666	56,060,358
Total liabilities and equity		₩ 214,980,757	₩ 206,970,264	\$ 154,751,480	\$ 148,985,218

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 and six-month periods ended June 30, 2024 and 2023
(Korean won in millions, except for earnings (losses) per share)

	Notes	Korean won			
		June 30, 2024		June 30, 2023	
		Three-month	Six-month	Three-month	Six-month
Sales	4, 33	₩ 31,197,130	₩ 63,822,613	₩ 31,293,193	₩ 63,358,959
Cost of sales	30, 33	28,567,949	57,681,050	28,797,675	57,785,573
Gross profit		2,629,181	6,141,563	2,495,518	5,573,386
Other operating revenue	4	111,820	150,359	167,000	167,000
Selling and administrative expenses	27, 30, 33	1,984,797	4,041,387	1,968,360	3,910,494
Operating profit	4	756,204	2,250,535	694,158	1,829,892
Finance income	28	1,421,013	3,193,526	1,454,130	3,615,345
Finance costs	28	2,286,097	4,962,570	1,948,424	4,742,752
Gain (Loss) on investments in associates and joint ventures, net	9, 10	659,115	1,116,245	(646,307)	(1,191,714)
Other non-operating income	29	342,063	525,790	633,153	818,395
Other non-operating expenses	29	203,199	318,063	423,989	571,356
Profit (loss) from continuing operations before income tax expense	4	689,099	1,805,463	(237,279)	(242,190)
Income tax expense (benefit) from continuing operations	31	242,122	736,710	(19,642)	50,327
Profit (loss) for the period from continuing operations	4	446,977	1,068,753	(217,637)	(292,517)
Gain (loss) from discontinued operation	34	7,155	110,631	16,664	84,939
Profit (loss) for the period attributable to:		₩ 454,132	₩ 1,179,384	₩ (200,973)	₩ (207,578)
Owners of the Parent Company		180,968	338,391	(141,394)	(18,817)
Non-controlling interests		273,164	840,993	(59,579)	(188,761)
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		(31,290)	(40,082)	6,438	(63,822)
Net gain (loss) on valuation of financial assets at FVOCI		(223,553)	(145,173)	(72,396)	22,766
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		116,334	204,454	(87,022)	99,109
Net gain (loss) on valuation of derivative financial instruments	12		57,828	(8,013)	(20,654)
Net gain on translation of foreign operations		1,211,056	2,880,254	29,980	1,100,586
		1,072,559	2,957,281	(131,013)	1,137,985
Total comprehensive income (loss) for the period attributable to:		₩ 1,526,691	₩ 4,136,665	₩ (331,986)	₩ 930,407
Owners of the Parent Company		552,864	1,391,770	(199,938)	473,268
Non-controlling interests		973,827	2,744,895	(132,048)	457,139
Earnings (losses) per share (Korean won):	32				
Basic earnings (losses) per ordinary share		₩ 3,285	₩ 6,136	₩ (2,495)	₩ (335)
Basic earnings (losses) per preference share		3,335	6,186	(2,495)	(335)
Diluted earnings (losses) per ordinary share		3,244	6,113	(2,562)	(436)
Basic earnings (losses) per ordinary share from continuing operations		3,226	5,223	(2,624)	(830)
Basic earnings (losses) per preference share from continuing operations		3,225	5,222	(2,674)	(879)
Diluted earnings (losses) per ordinary share from continuing operations		3,185	5,201	(2,691)	(930)

(Continued)

SK Inc. and its subsidiaries
Condensed consolidated interim statements of comprehensive income (loss)
for the three-month and six-month periods ended June 30, 2024 and 2023 (cont'd)
(U.S. dollar in thousands, except earnings (losses) per share)

	Notes	Translation into U.S. dollar (Note 2)			
		June 30, 2024		June 30, 2023	
		Three-month	Six-month	Three-month	Six-month
Sales	4, 33	\$ 22,456,903	\$ 45,941,990	\$ 22,526,053	\$ 45,608,234
Cost of sales	30, 33	20,564,317	41,521,055	20,729,683	41,596,295
Gross profit		1,892,586	4,420,935	1,796,370	4,011,939
Other operating revenue	4	80,492	108,234	120,213	120,213
Selling and administrative expenses	27, 30, 33	1,428,734	2,909,147	1,416,902	2,814,925
Operating profit	4	544,344	1,620,022	499,681	1,317,227
Finance income	28	1,022,900	2,298,824	1,046,739	2,602,465
Finance costs	28	1,645,621	3,572,250	1,402,551	3,414,017
Gain (Loss) on investments in associates and joint ventures, net	9, 10	474,457	803,516	(465,237)	(857,842)
Other non-operating income	29	246,230	378,484	455,768	589,112
Other non-operating expenses	29	146,271	228,954	305,204	411,284
Profit (loss) from continuing operations before income tax expense	4	496,039	1,299,642	(170,804)	(174,339)
Income tax expense (benefit) from continuing operations	31	174,289	530,312	(14,139)	36,227
Profit (loss) for the period from continuing operations	4	321,750	769,330	(156,665)	(210,566)
Gain (loss) from discontinued operation	34	5,150	79,636	11,995	61,142
Profit (loss) for the period attributable to:		\$ 326,900	\$ 848,966	\$ (144,670)	\$ (149,424)
Owners of the Parent Company		130,268	243,587	(101,781)	(13,545)
Non-controlling interests		196,632	605,379	(42,889)	(135,879)
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		(22,524)	(28,853)	4,634	(45,942)
Net gain (loss) on valuation of financial assets at FVOCI		(160,922)	(104,501)	(52,113)	16,388
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		83,742	147,174	(62,642)	71,342
Net gain (loss) on valuation of derivative financial instruments	9		41,627	(5,768)	(14,868)
Net gain on translation of foreign operations		871,765	2,073,318	21,581	792,244
		772,070	2,128,765	(94,308)	819,164
Total comprehensive income (loss) for the period attributable to:		\$ 1,098,970	\$ 2,977,731	\$ (238,978)	\$ 669,740
Owners of the Parent Company		397,973	1,001,850	(143,923)	340,677
Non-controlling interests		700,997	1,975,881	(95,055)	329,063
Earnings (losses) per share (U.S. dollar):	32				
Basic earnings (losses) per ordinary share		\$ 2.36	\$ 4.42	\$ (1.80)	\$ (0.24)
Basic earnings (losses) per preference share		2.40	4.45	(1.80)	(0.24)
Diluted earnings (losses) per ordinary share		2.34	4.40	(1.84)	(0.31)
Basic earnings (losses) per ordinary share from continuing operations		2.32	3.76	(1.89)	(0.60)
Basic earnings (losses) per preference share from continuing operations		2.32	3.76	(1.92)	(0.63)
Diluted earnings (losses) per ordinary share from continuing operations		2.29	3.74	(1.94)	(0.67)

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of changes in equity
for the six-month periods ended June 30, 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:							
Loss for the period	-	-	(18,817)	-	(18,817)	(188,761)	(207,578)
Remeasurements of the net defined benefit plans	-	-	(40,290)	-	(40,290)	(23,532)	(63,822)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(11,854)	(26,155)	(38,009)	60,775	22,766
Equity adjustment arising from investments in equity-accounted investees	-	-	-	63,330	63,330	35,779	99,109
Net loss on valuation of derivative financial instruments	-	-	-	(3,219)	(3,219)	(17,435)	(20,654)
Net gain on translation of foreign operations	-	-	-	510,273	510,273	590,313	1,100,586
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(195,114)	-	(195,114)	(974,656)	(1,169,770)
Stock-based payment	-	7,644	-	-	7,644	22,080	29,724
Retirement of treasury stocks	-	100,681	(100,681)	-	-	-	-
Equity transactions within consolidated entities	-	407,510	-	-	407,510	3,093,057	3,500,567
Changes in the scope of consolidation	-	-	-	-	-	424,078	424,078
Others	-	(9,787)	(3,617)	-	(13,404)	(1,476)	(14,880)
As of June 30, 2023	₩ 16,143	₩ 6,907,960	₩ 14,548,240	₩ 803,107	₩ 22,275,450	₩ 53,233,466	₩ 75,508,916
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	-	-	338,391	-	338,391	840,993	1,179,384
Remeasurements of the net defined benefit plans	-	-	(20,905)	-	(20,905)	(19,177)	(40,082)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(112,910)	(58,893)	(171,803)	26,630	(145,173)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	69,971	69,971	134,483	204,454
Net gain on valuation of derivative financial instruments	-	-	-	33,602	33,602	24,226	57,828
Net gain on translation of foreign operations	-	-	-	1,142,514	1,142,514	1,737,740	2,880,254
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(192,820)	-	(192,820)	(993,233)	(1,186,053)
Stock-based payment	-	(9,491)	-	-	(9,491)	54,910	45,419
Retirement of treasury stocks	-	75,362	(75,362)	-	-	-	-
Equity transactions within consolidated entities	-	(133,851)	-	-	(133,851)	2,291,846	2,157,995
Others	-	4,247	39,269	-	43,516	(117)	43,399
As of June 30, 2024	₩ 16,143	₩ 6,961,193	₩ 13,643,729	₩ 1,204,773	₩ 21,825,838	₩ 61,250,637	₩ 83,076,475

(Continued)

SK Inc. and its subsidiaries
Condensed consolidated interim statements of changes in equity
for the six-month periods ended June 30, 2024 and 2023 (cont'd)
(U.S. dollar in thousands)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
As of January 1, 2023	\$ 11,620	\$ 4,608,344	\$ 10,738,996	\$ 186,350	\$ 15,545,310	\$ 36,145,439	\$ 51,690,749
Total comprehensive income:							
Loss for the period	-	-	(13,545)	-	(13,545)	(135,879)	(149,424)
Remeasurements of the net defined benefit plans	-	-	(29,002)	-	(29,002)	(16,940)	(45,942)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(8,533)	(18,827)	(27,360)	43,748	16,388
Equity adjustment arising from investments in equity-accounted investees	-	-	-	45,587	45,587	25,755	71,342
Net loss on valuation of derivative financial instruments	-	-	-	(2,317)	(2,317)	(12,551)	(14,868)
Net gain on translation of foreign operations	-	-	-	367,314	367,314	424,930	792,244
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(140,451)	-	(140,451)	(701,595)	(842,046)
Stock-based payment	-	5,502	-	-	5,502	15,894	21,396
Retirement of treasury stocks	-	72,474	(72,474)	-	-	-	-
Equity transactions within consolidated entities	-	293,341	-	-	293,341	2,226,502	2,519,843
Changes in the scope of consolidation	-	-	-	-	-	305,268	305,268
Others	-	(7,045)	(2,604)	-	(9,649)	(1,062)	(10,711)
As of June 30, 2023	\$ 11,620	\$ 4,972,616	\$ 10,472,387	\$ 578,107	\$ 16,034,730	\$ 38,319,509	\$ 54,354,239
As of January 1, 2024	\$ 11,620	\$ 5,056,814	\$ 9,838,804	\$ 12,654	\$ 14,919,892	\$ 41,140,466	\$ 56,060,358
Total comprehensive income:							
Profit for the period	-	-	243,587	-	243,587	605,379	848,966
Remeasurements of the net defined benefit plans	-	-	(15,048)	-	(15,048)	(13,805)	(28,853)
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(81,277)	(42,393)	(123,670)	19,169	(104,501)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	50,368	50,368	96,806	147,174
Net gain on valuation of derivative financial instruments	-	-	-	24,188	24,188	17,439	41,627
Net gain on translation of foreign operations	-	-	-	822,425	822,425	1,250,893	2,073,318
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(138,799)	-	(138,799)	(714,968)	(853,767)
Stock-based payment	-	(6,832)	-	-	(6,832)	39,526	32,694
Retirement of treasury stocks	-	54,248	(54,248)	-	-	-	-
Equity transactions within consolidated entities	-	(96,351)	-	-	(96,351)	1,649,760	1,553,409
Others	-	3,058	28,266	-	31,324	(83)	31,241
As of June 30, 2024	\$ 11,620	\$ 5,010,937	\$ 9,821,285	\$ 867,242	\$ 15,711,084	\$ 44,090,582	\$ 59,801,666

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Condensed consolidated interim statements of cash flows
for the six-month periods ended June 30, 2024 and 2023
(Korean won in millions and U.S. dollar in thousands)

		For the six-month periods ended June 30			
		Korean won		Translation into U.S. dollar (Note 2)	
Notes		2024	2023	2024	2023
Cash flows from operating activities:					
		₩ 1,179,384	₩ (207,578)	\$ 848,966	\$ (149,424)
	36	5,570,421	6,561,307	4,009,805	4,723,083
	36	(204,537)	975,345	(147,234)	702,091
		471,684	375,945	339,536	270,620
		(1,956,529)	(1,522,873)	(1,408,385)	(1,096,223)
		209,128	235,001	150,538	169,163
		(1,008,147)	(1,373,629)	(725,703)	(988,791)
Net cash provided by operating activities		4,261,404	5,043,518	3,067,523	3,630,519
Cash flows from investing activities:					
		(410,357)	399,153	(295,391)	287,326
		(27,202)	(9,392)	(19,581)	(6,761)
		12,510	14,145	9,005	10,182
		97,111	50,134	69,904	36,088
		(103,203)	(273,578)	(74,290)	(196,932)
		98,043	59,634	70,575	42,927
		501,145	245,992	360,744	177,075
		569,656	111,176	410,060	80,029
		119,462	96,168	85,993	69,225
		50,512	14,122	36,360	10,166
		727,220	552,523	523,481	397,727
		(121,664)	(663,659)	(87,578)	(477,727)
		(583,152)	(467,466)	(419,775)	(336,500)
		(8,921,810)	(9,386,115)	(6,422,265)	(6,756,489)
		(142,913)	(198,396)	(102,874)	(142,813)
		(23,652)	29,157	(17,026)	20,988
		39,493	108,883	28,429	78,378
Net cash used in investing activities		(8,118,801)	(9,317,519)	(5,844,229)	(6,707,111)
Cash flows from financing activities:					
		1,167,902	(1,440,153)	840,701	(1,036,678)
		9,465,926	10,608,153	6,813,940	7,636,160
		(7,180,741)	(6,261,103)	(5,168,976)	(4,506,985)
		(384,410)	(413,859)	(276,713)	(297,912)
		(461,112)	(544,463)	(331,926)	(391,926)
		(1,183,624)	(1,187,310)	(852,018)	(854,672)
		1,900,241	4,089,152	1,367,867	2,943,530
		274,516	56,468	197,607	40,648
Net cash provided by financing activities		3,598,698	4,906,885	2,590,482	3,532,165
Net increase (decrease) in cash and cash equivalents		(258,699)	632,884	(186,224)	455,573
Net foreign exchange effects		519,240	15,047	373,770	10,831
Cash and cash equivalents included in assets held for sale		(133,786)	(113,574)	(96,303)	(81,755)
Cash and cash equivalents at the beginning of the period		22,683,670	21,393,853	16,328,585	15,400,125
Cash and cash equivalents at the end of the period		₩ 22,810,425	₩ 21,928,210	\$ 16,419,828	\$ 15,784,774

See accompanying notes to the condensed consolidated interim financial statements.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

1. Corporate information

(1) Parent Company

SK Inc. (the “Company” or “Parent Company”) was established on April 13, 1991 as the Parent Company and has been engaged in providing systems integration, software design and development, information processing and consulting services, and is headquartered at 26, Jong-ro, Jongno-gu, Seoul. The Company’s ordinary shares have been listed on the Korea Exchange since November 11, 2009.

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

As of June 30, 2024, the issued capital of the Company amounts to ₩16,143 million (including ₩113 million of preferred shares). Major shareholders and their equity ownership are Tae-won Chey, National Pension Service and Ki-won Choi each holding 17.90%, 7.44%, and 6.65%, respectively, as of June 30, 2024.

(2) Changes in consolidated subsidiaries

1) Changes in the consolidated subsidiaries for the six-month periods ended June 30, 2024 are as follows (In number of companies):

December 31, 2023	Inclusion	Exclusion	June 30, 2024
716	13	62	667

2) For the six-month periods ended June 30, 2024, subsidiaries newly included in consolidation are as follows:

Subsidiaries	Reasons for changes
AIRPLUS ENGINEERING INCORPORATED Renewlogis Industry Co., Ltd. SK Enterm Co., Ltd MiraiTech Inc. KCE MI 6, LLC Planeta Pte. Ltd. Hico GP I, LLC Hico Ventures I, L.P. Bow-Hico Silicon Valley Fund, LP Hico Management LLC H Solution Co., Ltd. KCE TX 33, LLC SG Vina Company Limited	Establishment (12 companies) Acquisition (1 company)

3) For the six-month periods ended June 30, 2024, subsidiaries excluded from consolidation are as follows:

Subsidiaries	Reasons for changes
Chopo Solar Co., Ltd. TS ENERGY NO.2 CO.,LTD TS ENERGY NO.10 CO.,LTD TS ENERGY NO.17 CO.,LTD TS ENERGY NO.20 CO.,LTD TS ENERGY NO.21 CO.,LTD TS ENERGY NO.29 CO.,LTD Gaewha Energy Co., Ltd. Atom Online LLC Atom Power Group LLC Atom Solid State Technologies	Consolidated entities (11 companies)

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

1. Corporate information (cont'd)

Subsidiaries	Reasons for changes
SK China Real Estate Co., Limited	Liquidation
SK Networks America, Inc.	(9 companies)
KCE IN 4, LLC	
KCE WI 1, LLC	
KCE NY 11, LLC	
KCE TX 9, LLC	
KCE TX 27, LLC	
KCE TX 29, LLC	
SK Investment Vina V Pte. Ltd.	
Geom Bawi Solar Co., Ltd.	Disposal
Nickel Co., Ltd.	(42 companies)
Solar Ocean Co., Ltd	
TS ENERGY NO.5 CO.,LTD	
TOPSUN SOLAR NO.2 CO.,LTD	
TS ENERGY NO.15 CO.,LTD	
TS ENERGY CO.,LTD	
SK pucore Co., Ltd.	
Woori Fine Chem Co., Ltd.	
Solmics Shanghai Co., Ltd.	
SKC (Nantong) PU Specialty Co., Ltd	
Enpulse Taiwan Co., Ltd.	
SK pucore Europe sp. z o.o.	
SK pucore USA Inc	
SK pucore Mexico, S. de R.L. de C.V.	
SK pucore India Pvt. Ltd.	
SK pucore RUS LLC	
Gold Co., Ltd.	
Neujinmok Solar Co., Ltd.	
Eodeumi Solar Co., Ltd.	
Baekya Energy Co., Ltd.	
Duryu Energy Co., Ltd.	
Seongso Solar Co., Ltd.	
Shinchu Energy Co., Ltd.	
Soak Solar Co., Ltd.	
Sangjeong Solar Co., Ltd.	
Jusuk	
Silbeo	
Eneman Energy Co., Ltd.	
Cast Iron Co., Ltd.	
CBK Energy Co., Ltd.	
Signal Solar Co., Ltd.	
TS Energy 6Ho Co., Ltd.	
TS Energy 30Ho Co., Ltd.	
Sodu Energy Co., Ltd.	
Dongmae Solar Co., Ltd.	
Gaedo Energy Co., Ltd.	
Bongri Energy Co., Ltd.	
Bunmugol Energy Co., Ltd.	
Naru Sunlight Co., Ltd.	
Nari Sunlight Co., Ltd.	
Chopo Energy Co., Ltd.	

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

1. Corporate information (cont'd)

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

Information about significant non-controlling interests in subsidiaries as of and for the six-month periods ended June 30, 2024 and for the year ended December 31, 2023 is as follows (Korean won in millions):

	As of and for the six-month period ended June 30, 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%	68.16%	52.04%	54.75%	10.00%	57.10%
Current assets	₩ 32,135,198	₩ 6,866,461	₩ 2,249,268	₩ 6,132,394	₩ 1,713,475	₩ 3,674,352	₩ 6,892,575
Non-Current assets	54,254,914	22,585,292	16,757,267	3,259,122	5,458,231	14,647,707	8,993,125
Current liabilities	29,743,014	7,076,133	1,259,081	5,996,419	2,077,227	3,767,134	7,459,878
Non-current liabilities	23,545,373	9,788,992	829,104	1,244,968	2,584,534	6,812,275	3,856,327
Net assets	33,101,725	12,586,628	16,918,350	2,150,129	2,509,945	7,742,650	4,569,495
Book value of the non-controlling interests	23,732,288	7,564,320	11,665,320	1,090,517	1,900,345	5,119,097	3,707,746
Sales	37,654,253	8,896,970	966,844	3,765,549	887,908	5,899,270	4,266,981
Net income (loss)	(737,332)	712,114	1,062,101	28,552	(143,330)	440,043	102,874
Other comprehensive net income (loss)	1,570,358	96,841	166,496	15,793	127,861	405,787	128,188
Total comprehensive income (loss)	833,026	808,955	1,228,597	44,345	(15,469)	845,830	231,062
Net income of the non-controlling interests	(491,667)	468,154	742,868	15,761	(72,343)	167,895	66,928
Total comprehensive income (loss) of the non-controlling interests	619,102	475,044	855,954	20,864	1,329	223,008	154,180
Net cash flows from operating activities	1,927,579	2,388,879	6,030	370,218	(82,807)	706,160	(883,504)
Net cash flows from investing activities	(5,823,558)	(1,000,841)	67,878	(129,546)	(30,788)	(427,907)	(89,889)
Net cash flows from financing activities	3,644,568	(1,279,574)	(150,080)	(32,453)	119,657	(273,086)	986,247
Net increase (decrease) in cash and cash equivalents	(251,411)	108,464	(76,172)	208,219	6,062	5,167	12,854
Dividends paid to the non-controlling interests	(277,382)	(337,377)	(2,388)	(21,077)	(2,184)	(262,739)	(55,934)

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

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

1. Corporate information (cont'd)

	As of and for the year 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 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 ₩1,389.20 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 six-month period ended June 30, 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 six-month period ended June 30, 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 June 30, 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 six-month period ended June 30, 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

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

4. Operating segments (cont'd)

(2) Details of financial information for each operating segment as of and for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the six-month period ended June 30, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 37,804,612	₩ 8,896,970	₩ 2,249,807	₩ 3,765,549	₩ 887,908
Internal sales	(553,227)	(114,601)	(1,474,469)	(534,901)	(63,975)
Net sales and other operating income	37,251,385	8,782,369	775,338	3,230,648	823,933
Net Income	(737,332)	712,114	1,062,101	28,552	(143,330)
Total assets	86,390,112	29,451,753	19,006,535	9,391,516	7,171,706
Total liabilities	53,288,387	16,865,125	2,088,185	7,241,387	4,661,761
Depreciation	984,823	1,426,663	30,464	350,998	64,775
Amortization	167,432	423,171	20,864	17,243	22,772

	As of and for the six-month period ended June 30, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*2)	Total
Sales and other operating income	₩ 5,899,270	₩ 4,266,981	₩ 5,751,165	₩ (5,549,290)	₩ 63,972,972
Internal sales	(251,010)	(399,494)	(2,157,613)	5,549,290	-
Net sales and other operating income	5,648,260	3,867,487	3,593,552	-	63,972,972
Net Income	440,043	102,874	422,722	(708,360)	1,179,384
Total assets	18,322,059	15,885,700	64,885,624	(35,524,248)	214,980,757
Total liabilities	10,579,409	11,316,205	26,892,183	(1,028,360)	131,904,282
Depreciation	276,371	82,916	363,564	(30,825)	3,549,749
Amortization	14,130	74,726	60,844	139,039	940,221

	As of and for the six-month period ended June 30, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 38,037,126	₩ 8,678,610	₩ (116,213)	₩ 3,633,007	₩ 933,508
Internal sales	(366,828)	(142,853)	833,739	(538,796)	(169,974)
Net sales and other operating income	37,670,298	8,535,757	717,526	3,094,211	763,534
Net Income	(172,394)	650,258	(1,227,754)	15,235	(116,918)
Total assets	73,475,205	30,306,422	20,604,959	9,272,843	6,241,010
Total liabilities	47,311,654	17,911,745	4,729,944	6,892,629	3,859,602
Depreciation	874,969	1,455,570	68,514	393,993	68,826
Amortization	101,355	426,926	27,178	17,927	17,096

	As of and for the six-month period ended June 30, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*2)	Total
Sales and other operating income	₩ 5,766,047	₩ 3,927,262	₩ 5,597,961	₩ (2,931,349)	₩ 63,525,959
Internal sales	(246,352)	(6,979)	(2,293,306)	2,931,349	-
Net sales and other operating income	5,519,695	3,920,283	3,304,655	-	63,525,959
Net Income	705,782	236,253	496,087	(794,127)	(207,578)
Total assets	17,819,990	14,343,579	61,088,298	(33,792,032)	199,360,274
Total liabilities	10,635,913	9,998,094	23,684,956	(1,173,179)	123,851,358
Depreciation	234,174	56,876	446,839	(25,923)	3,573,838
Amortization	11,552	42,109	76,052	136,564	856,759

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

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

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

4. Operating segments (cont'd)

(3) Details of financial information by geographical location as of and for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the six-month period ended June 30, 2024						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 80,090,129	₩ 25,527,510	₩ 4,693,789	₩ 7,256,823	₩ 20,215	₩ (53,615,494)	₩ 63,972,972
Operating profit (loss)	4,197,560	162,541	(52,278)	(754,864)	(14,738)	(1,287,686)	2,250,535
Profit (loss) from continuing operating before income tax expense	3,636,440	157,936	(109,481)	(1,174,695)	(12,259)	(692,478)	1,805,463
Profit (loss) for the period from continuing operations	3,131,450	108,804	(129,455)	(1,167,028)	(20,583)	(854,435)	1,068,753
Total assets	217,300,819	27,622,369	16,163,584	57,910,685	3,131,430	(107,148,130)	214,980,757
Total liabilities	108,997,369	10,159,143	8,758,568	18,324,479	755,338	(15,090,615)	131,904,282

	As of and for the six-month period ended June 30, 2023						
	Korea	Asia	Europe	North America	Others	Consolidation adjustments	Total
Total sales and other operating income	₩ 78,881,105	₩ 23,732,998	₩ 6,040,208	₩ 5,313,804	₩ 52,597	₩ (50,494,753)	₩ 63,525,959
Operating profit (loss)	3,844,632	337,682	(23,853)	(393,473)	19,794	(1,954,890)	1,829,892
Profit (loss) from continuing operating before income tax expense	3,683,531	365,585	(22,566)	(705,147)	24,415	(3,588,008)	(242,190)
Profit (loss) for the period from continuing operations	3,156,887	281,650	(22,694)	(692,131)	21,912	(3,038,141)	(292,517)
Total assets	213,076,198	24,792,509	12,543,440	39,651,495	2,403,040	(93,106,408)	199,360,274
Total liabilities	106,384,556	9,858,243	7,542,540	10,588,062	669,047	(11,191,090)	123,851,358

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

4. Operating segments (cont'd)

(4) Details of financial information by revenue from contracts with customers for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.(*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 37,804,612	₩ 8,896,970	₩ 2,249,807	₩ 3,765,549	₩ 887,908
2. Revenue from contracts with customers	37,426,731	8,896,970	966,844	3,537,242	885,481
Categories:					
Service sales	163,405	8,096,552	611,644	357,055	-
Finished goods sales	35,710,277	-	21,233	39,765	840,714
Merchandise sales	828,253	535,659	172,010	3,130,197	16,019
Other sales	724,796	264,759	161,957	10,225	28,748
	37,426,731	8,896,970	966,844	3,537,242	885,481
Timing of revenue recognition:					
Recognition at a point in time	37,263,325	762,648	388,106	3,180,187	872,848
Recognition over a period of time	163,406	8,134,322	578,738	357,055	12,633
	37,426,731	8,896,970	966,844	3,537,242	885,481
3. Revenue from other sources	227,522	-	1,282,963	228,307	2,427
4. Other operating income (*3)	150,359	-	-	-	-

	For the six-month period ended June 30, 2024				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments(*2)	Total
1. Sales and other operating income	₩ 5,899,270	₩ 4,266,981	₩ 5,751,165	₩ (5,549,290)	₩ 63,972,972
2. Revenue from contracts with customers	5,898,260	4,241,877	5,323,179	(3,520,614)	63,655,970
Categories:					
Service sales	680	4,145,210	2,092,342	(1,783,948)	13,682,940
Finished goods sales	2,402,552	-	2,697,834	(931,773)	40,780,602
Merchandise sales	3,397,316	56,860	481,390	(745,835)	7,871,869
Other sales	97,712	39,807	51,613	(59,058)	1,320,559
	5,898,260	4,241,877	5,323,179	(3,520,614)	63,655,970
Timing of revenue recognition:					
Recognition at a point in time	739,488	31,756	3,313,246	(1,485,662)	45,065,942
Recognition over a period of time	5,158,772	4,210,121	2,009,933	(2,034,952)	18,590,028
	5,898,260	4,241,877	5,323,179	(3,520,614)	63,655,970
3. Revenue from other sources	1,010	25,104	427,986	(2,028,676)	166,643
4. Other operating income (*3)	-	-	-	-	150,359

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

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

(*3) SK Innovation Co., Ltd., a subsidiary, is subject to tax credits for battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit System of the U.S. Inflation Reduction Act, which takes effect on January 1, 2023. Companies subject to the Advanced Manufacturing Production Tax Credit can choose (1) legal deduction (direct deduction or transfer of rights) or (2) direct receipt of the remaining amount after deducting it (hereinafter referred to as the "cash receipt method") for the amount of tax credit, which is expected to be received as SK Innovation Co., Ltd. has decided to transfer its right to deduct under the law.

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4. Operating segments (cont'd)

	For the six-month period ended June 30, 2023				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 38,037,126	₩ 8,678,610	₩ (116,213)	₩ 3,633,007	₩ 933,508
2. Revenue from contracts with customers	37,709,857	8,678,610	1,119,770	2,812,828	933,508
Categories:					
Service sales	179,401	7,904,416	687,852	149,628	-
Finished goods sales	34,780,594	-	23,233	197,668	875,700
Merchandise sales	2,173,130	495,493	224,186	2,458,789	41,717
Other sales	576,732	278,701	184,499	6,743	16,091
	37,709,857	8,678,610	1,119,770	2,812,828	933,508
Timing of revenue recognition:					
Recognition at a point in time	37,530,456	726,228	463,632	2,663,200	933,508
Recognition over a period of time	179,401	7,952,382	656,138	149,628	-
	37,709,857	8,678,610	1,119,770	2,812,828	933,508
3. Revenue from other sources	160,269	-	(1,235,983)	820,179	-
4. Other operating income (*3)	167,000	-	-	-	-

	For the six-month period ended June 30, 2023				
	SK E&S Co., Ltd.	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 5,766,047	₩ 3,927,262	₩ 5,597,961	₩ (2,931,349)	₩ 63,525,959
2. Revenue from contracts with customers	5,763,087	3,898,716	5,266,395	(2,941,703)	63,241,068
Categories:					
Service sales	-	3,824,926	2,723,832	(1,378,178)	14,091,877
Finished goods sales	2,459,217	-	2,460,567	(684,648)	40,112,331
Merchandise sales	3,221,006	53,085	182,709	(830,907)	8,019,208
Other sales	82,864	20,705	(100,713)	(47,970)	1,017,652
	5,763,087	3,898,716	5,266,395	(2,941,703)	63,241,068
Timing of revenue recognition:					
Recognition at a point in time	511,456	24,539	2,607,860	(1,316,988)	44,143,891
Recognition over a period of time	5,251,631	3,874,177	2,658,535	(1,624,715)	19,097,177
	5,763,087	3,898,716	5,266,395	(2,941,703)	63,241,068
3. Revenue from other sources	2,960	28,546	331,566	10,354	117,891
4. Other operating income (*3)	-	-	-	-	167,000

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

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

(*3) SK Innovation Co., Ltd., a subsidiary, is subject to tax credits for battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit System of the U.S. Inflation Reduction Act, which takes effect on January 1, 2023. Companies subject to the Advanced Manufacturing Production Tax Credit can choose (1) legal deduction (direct deduction or transfer of rights) or (2) direct receipt of the remaining amount after deducting it (hereinafter referred to as the "cash receipt method") for the amount of tax credit, which is expected to be received as SK Innovation Co., Ltd. has decided to transfer its right to deduct under the law.

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5. Financial instruments

(1) Financial assets

Details of financial assets as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 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	₩ 6,190,494	₩ -	₩ 16,619,931	₩ -	₩ 22,810,425
Short-term financial instruments	470,832	-	3,072,312	-	3,543,144
Trade receivables (*1)	224,490	301,253	11,889,102	-	12,414,845
Other receivables (*2)	114,927	-	2,298,723	-	2,413,650
Short-term loans	-	-	214,149	-	214,149
Accrued income	-	-	206,177	-	206,177
Short-term investment securities	27,541	-	45	-	27,586
Guarantee deposits	-	-	461,951	-	461,951
Derivative assets	326,983	-	-	215,830	542,813
Short-term lease receivables	-	-	25,471	-	25,471
	<u>₩ 7,355,267</u>	<u>₩ 301,253</u>	<u>₩ 34,787,861</u>	<u>₩ 215,830</u>	<u>₩ 42,660,211</u>
Non-current assets:					
Long-term financial instruments	₩ 4,805	₩ -	₩ 63,457	₩ -	₩ 68,262
Long-term trade receivables	-	-	559,332	-	559,332
Long-term other receivables	102,839	-	672,856	-	775,695
Long-term loans	-	-	782,365	-	782,365
Long-term accrued income	-	-	53,944	-	53,944
Long-term investment securities	1,809,011	5,607,605	865	-	7,417,481
Long-term guarantee deposits	-	-	563,019	-	563,019
Derivative assets	937,475	-	-	372,245	1,309,720
Long-term lease receivables	-	-	45,879	-	45,879
	<u>₩ 2,854,130</u>	<u>₩ 5,607,605</u>	<u>₩ 2,741,717</u>	<u>₩ 372,245</u>	<u>₩ 11,575,697</u>
	<u>₩ 10,209,397</u>	<u>₩ 5,908,858</u>	<u>₩ 37,529,578</u>	<u>₩ 588,075</u>	<u>₩ 54,235,908</u>

(*1) Contract assets (unbilled receivables) amounting to ₩1,182,115 million as of June 30, 2024 are not included in the financial assets.

(*2) Employees and tax related amounts are excluded because they were not subject to financial instruments disclosure.

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5. Financial instruments (cont'd)

	December 31, 2023				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 5,280,674	₩ -	₩ 17,402,996	₩ -	₩ 22,683,670
Short-term financial instruments	530,313	-	2,411,728	-	2,942,041
Trade receivables (*1)	173,105	215,669	12,448,218	-	12,836,992
Other receivables (*2)	144,629	-	2,250,870	-	2,395,499
Short-term loans	-	-	246,555	-	246,555
Accrued income	-	-	117,323	-	117,323
Short-term investment securities	186,793	-	45	-	186,838
Guarantee deposits	-	-	507,630	-	507,630
Derivative assets	140,650	-	-	149,654	290,304
Short-term 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 assets	1,005,219	-	-	253,732	1,258,951
Long-term 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 because they were not subject to financial instruments disclosure.

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5. Financial instruments (cont'd)

(2) Financial liabilities

Details of financial liabilities as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 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	₩ -	₩ 19,571,541	₩ -	₩ -	₩ 19,571,541
Trade payables	166,518	11,368,476	-	-	11,534,994
Other payables (*1)	15,789	8,675,397	-	-	8,691,186
Current portion of long-term debt	-	13,919,122	-	-	13,919,122
Accrued expenses (*1)	-	3,025,816	-	-	3,025,816
Dividends payable	-	1,008	-	-	1,008
Leasehold deposits received	-	883,214	-	-	883,214
Derivative liabilities	470,477	-	16,241	-	486,718
Lease liabilities	-	-	-	1,007,659	1,007,659
Finance guarantee liabilities	-	-	-	12,566	12,566
Financial liabilities at fair value through profit or loss	28,314	-	-	-	28,314
	<u>₩ 681,098</u>	<u>₩ 57,444,574</u>	<u>₩ 16,241</u>	<u>₩ 1,020,225</u>	<u>₩ 59,162,138</u>
Non-current liabilities:					
Bonds and long-term borrowings	₩ -	₩ 48,535,773	₩ -	₩ -	₩ 48,535,773
Long-term other payables (*1)	118,341	874,397	-	-	992,738
Long-term accrued expenses (*1)	-	12,765	-	-	12,765
Leasehold deposits received	-	160,914	-	-	160,914
Derivative liabilities	1,156,341	-	2,823	-	1,159,164
Long-term lease liabilities	-	-	-	3,661,364	3,661,364
Financial guarantee liabilities	-	-	-	21,080	21,080
Financial liabilities at fair value through profit or loss	705,325	-	-	-	705,325
	<u>₩ 1,980,007</u>	<u>₩ 49,583,849</u>	<u>₩ 2,823</u>	<u>₩ 3,682,444</u>	<u>₩ 55,249,123</u>
	<u>₩ 2,661,105</u>	<u>₩ 107,028,423</u>	<u>₩ 19,064</u>	<u>₩ 4,702,669</u>	<u>₩ 114,411,261</u>

(*1) Unpaid liabilities related to employee compensation systems, stock-based payment and tax related amounts are excluded because they were not subject to disclosure of financial instruments.

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5. Financial instruments (cont'd)

	December 31, 2023				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 17,388,374	₩ -	₩ -	₩ 17,388,374
Trade payables	175,970	12,773,431	-	-	12,949,401
Other payables (*1)	16,291	9,369,697	-	-	9,385,988
Current portion of long-term debt	-	13,019,290	-	-	13,019,290
Accrued expenses (*1)	-	3,034,689	-	-	3,034,689
Dividends payable	-	983	-	-	983
Leasehold deposits received	-	1,086,643	-	-	1,086,643
Derivative 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 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) Unpaid liabilities related to employee compensation systems, stock-based payment and tax are excluded because they were not subject to disclosure of financial instruments.

(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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024		December 31, 2023	
	Book value	Fair value	Book value	Fair value
Bonds	₩ 37,358,994	₩ 37,296,318	₩ 37,422,779	₩ 36,512,427
Borrowings	44,667,442	42,614,300	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 (0.61% ~ 18.12%) regarding residual market risks. As the book values of other financial assets and other financial liabilities are reasonable approximations to fair values, the fair values have not been disclosed.

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

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) Details of fair values of financial instruments by hierarchy level as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

		June 30, 2024				
		Book value	Level 1	Level 2	Level 3	Total
Financial assets:						
Financial assets measured at FVTPL	₩	8,944,939	₩ 336,621	₩ 7,038,775	₩ 1,569,543	₩ 8,944,939
Financial assets measured at FVOCI		5,908,858	2,190,455	49,797	3,668,606	5,908,858
Derivative financial assets		1,852,533	2,236	787,598	1,062,699	1,852,533
	₩	<u>16,706,330</u>	<u>₩ 2,529,312</u>	<u>₩ 7,876,170</u>	<u>₩ 6,300,848</u>	<u>₩ 16,706,330</u>
Financial liabilities:						
Financial liabilities measured at FVTPL	₩	1,034,287	₩ -	₩ 169,974	₩ 864,313	₩ 1,034,287
Derivative financial liabilities		1,645,882	-	500,302	1,145,580	1,645,882
	₩	<u>2,680,169</u>	<u>₩ -</u>	<u>₩ 670,276</u>	<u>₩ 2,009,893</u>	<u>₩ 2,680,169</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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			December 31, 2023		
	Gross amount	Allowance for doubtful accounts	Carrying amount	Gross amount	Allowance for doubtful accounts	Carrying amount
Trade receivables (*1)	₩ 14,095,434	₩ (498,474)	₩ 13,596,960	₩ 14,362,437	₩ (483,049)	₩ 13,879,388
Short-term loans	292,270	(78,121)	214,149	324,564	(78,009)	246,555
Other receivables	3,339,542	(98,119)	3,241,423	3,166,781	(106,469)	3,060,312
Accrued income	208,020	(1,843)	206,177	118,727	(1,404)	117,323
Short-term guarantee deposits	462,760	(809)	461,951	508,439	(809)	507,630
Short-term Lease receivables	25,471	-	25,471	23,892	-	23,892
Long-term trade receivables	595,624	(36,292)	559,332	589,171	(43,729)	545,442
Long-term loans	1,076,553	(294,188)	782,365	960,487	(287,460)	673,027
Long-term other receivables	788,615	(12,920)	775,695	830,235	(20,323)	809,912
Long-term accrued income	53,944	-	53,944	32,462	-	32,462
Long-term guarantee deposits	565,119	(2,100)	563,019	617,484	(2,039)	615,445
Long-term lease receivables	45,879	-	45,879	43,385	-	43,385
	<u>₩ 21,549,231</u>	<u>₩ (1,022,866)</u>	<u>₩ 20,526,365</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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Contract assets: (*1)		
Construction business	₩ 1,088,277	₩ 988,478
Telecommunication business	136,525	129,771
Others	<u>321,334</u>	<u>294,712</u>
	<u>₩ 1,546,136</u>	<u>₩ 1,412,961</u>
Contract liabilities: (*2)		
Construction business	₩ 1,203,246	₩ 1,123,313
Telecommunication business	230,539	212,493
City gas business	488,174	473,686
Others	<u>1,148,594</u>	<u>1,029,912</u>
	<u>₩ 3,070,553</u>	<u>₩ 2,839,404</u>

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

(*2) Contract liabilities are included in advances received and other liabilities. The amount recognized as revenue for the six-month period ended June 30, 2024 in relation to the contract liabilities in the end of the prior period is ₩ 665,083 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 June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Change in estimated construction revenue	Change in estimated construction cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries	₩ 941,638	₩ 663,505	₩ 52,285	₩ 225,848
Others	10,963	20,266	(8,272)	(1,031)
	₩ 952,601	₩ 683,771	₩ 44,013	₩ 224,817

	June 30, 2023			
	Change in estimated construction revenue	Change in estimated construction cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries	₩ 255,952	₩ 144,047	₩ 57,441	₩ 54,464
Others	(1,408)	(824)	(618)	34
	₩ 254,544	₩ 143,223	₩ 56,823	₩ 54,498

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 June 30, 2024 and 2023 are as follows (Korean won in millions):

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	June 30, 2024		Trade receivables (*2)	
					Unbilled receivables		Gross amount	Allowance for doubtful accounts
					Gross amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.67	₩ -	₩ -	₩ 60,012	₩ -

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

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

Subsidiary	Project	Contract date	Completion date(*1)	Progress (%)	June 30, 2023		Trade receivables (*2)	
					Unbilled receivables		Gross amount	Allowance for doubtful accounts
					Gross amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.62	₩ -	₩ -	₩ 60,012	₩ -

(*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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			December 31, 2023		
	Acquisition cost	Valuation allowance	Book value	Acquisition cost	Valuation allowance	Book value
Merchandise	₩ 1,014,247	₩ (41,182)	₩ 973,065	₩ 1,483,797	₩ (73,429)	₩ 1,410,368
Finished goods	4,979,223	(284,240)	4,694,983	4,978,286	(324,487)	4,653,799
Semifinished goods and work in progress	1,766,789	(137,334)	1,629,455	1,803,927	(131,952)	1,671,975
Raw materials and sub-materials	2,597,268	(104,320)	2,492,948	3,397,528	(165,039)	3,232,489
Materials in transit	3,119,322	-	3,119,322	3,079,113	-	3,079,113
Supplies	1,213,562	(5,572)	1,207,990	943,308	(5,839)	937,469
Uncompleted contracts	18,464	-	18,464	17,326	-	17,326
Others	5,174	(1,152)	4,022	5,169	(1,153)	4,016
	₩ 14,714,049	₩ (573,800)	₩ 14,140,249	₩ 15,708,454	₩ (701,899)	₩ 15,006,555

(2) Details of profit or loss recognized for the six-month periods ended June 30, 2024 and 2023 with regards to inventories are as follows (Korean won in millions):

	For the six-month periods ended	
	June 30, 2024	June 30, 2023
Reversal of valuation of inventories	₩ (128,099)	₩ (257,640)

8. Investment securities

Details of investment securities as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Equity instruments		Debt instruments	
	Listed	Unlisted	Listed	Unlisted
Current assets				
Financial assets measured at FVTPL	₩ -	₩ -	₩ -	₩ 27,541
Financial assets measured at FVOCI (*1)	-	-	-	-
Financial assets measured at amortized cost	-	-	-	45
	₩ -	₩ -	₩ -	₩ 27,586
Non-current assets				
Financial assets measured at FVTPL	₩ 336,621	₩ 107,697	₩ -	₩ 1,364,693
Financial assets measured at FVOCI (*1)	2,190,455	3,417,149	-	1
Financial assets measured at amortized cost	-	-	-	865
	₩ 2,527,076	₩ 3,524,846	₩ -	₩ 1,365,559
	₩ 2,527,076	₩ 3,524,846	₩ -	₩ 1,393,145

(*1) The Group has applied the irrevocable option to designate the equity instruments held for strategic investment purposes, rather than for held-for-trading purpose, at the date of initial application, as items measured at FVOCI.

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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 purposes, rather than 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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Domicile	Principal Business activity	June 30, 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	₩ 897,027	35.0	₩ 901,241	December
Beijing BESK Technology Co., Ltd.	China	Battery manufacturing	49.0	259,819	49.0	263,870	December
Lunar Energy, Inc.	USA	Power Management Services	43.5	85,570	43.5	97,817	December
ZETA CAYMAN Limited	Cayman	Overseas investment	50.0	165,235	50.0	153,906	December
Ignis Therapeutics	Cayman	Pharmaceutical manufacturing	41.0	95,116	41.0	93,293	December
Eurasia Tunnel	Turkiye	Construction	50.0	502,720	50.0	466,996	December
Parkingcloud Corp.	Korea	Business support service	44.5	154,703	44.5	155,569	December
BORYEONG LNG TERMINAL CO.,LTD.	Korea	Energy	50.0	174,415	50.0	172,398	December
SABIC SK Nextlene Company Pte. Ltd.	Singapore	Investment	50.0	228,793	50.0	228,782	December
Korea Security Holdings Co., Ltd.	Korea	Holding company	32.0	877,229	32.0	887,398	December
Zhejiang SK energy Baoying Group Co., Ltd.	China	Asphalt business	49.0	100,692	49.0	102,943	December
HSAGP ENERGY LLC	USA	Investment	50.0	1,288,327	50.0	831,600	December
Others				506,651		473,265	December
				₩ 5,336,297		₩ 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 are deemed to 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 investments in joint ventures for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024							
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Others (*1)	Ending balance
Joint ventures	₩ 4,829,078	₩ 414,788	₩ (1,778)	₩ (87,768)	₩ 59,813	₩ (15,505)	₩ 137,669	₩ 5,336,297

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

	For the six-month period ended June 30, 2023							
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Others (*1)	Ending balance
Joint ventures	₩ 2,995,713	₩ 39,104	₩ (7,772)	₩ 7,604	₩ 3,903	₩ (14,948)	₩ 28,743	₩ 3,052,347

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

10. Investments in associates

(1) Details of investments in associates as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Domicile	Principal Business activity	June 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
SK hynix Inc. (*1)	Korea	Semiconductor	20.1	₩ 13,059,911	20.1	₩11,694,067	December
Vingroup Joint Stock Company (*2)	Vietnam	Holding company	6.1	629,541	6.1	549,217	December
Eureka Midstream Holdings	USA	Resource development	40.0	584,874	40.0	549,070	December
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	Investment	15.8	524,789	15.8	489,055	December
Masan Group Corporation (*2,4)	Vietnam	Holding company(F&B, Livestock, Mining, Banking)	9.2	446,010	9.2	419,226	December
Darwin LNG Pty Ltd.	Australia	Wholesale, import and export of LNG gas and other	25.0	500,647	25.0	473,791	December
The CrownX Corporation (*2)	Vietnam	Holding company	4.9	412,612	4.9	380,736	December
FR BR Aggregator	USA	Resource development	39.0	177,571	39.0	164,973	December
Huizhou EVE United Energy Co., Ltd.	China	Battery Manufacturing	49.0	541,923	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	324,046	41.0	327,897	December

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10. Investments in associates (cont'd)

	Domicile	Principal Business activity	June 30, 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	₩ 289,847	24.4	₩ 307,089	December
Canakkale Highway And Bridge	Turkiye	Construction	25.0	419,181	25.0	333,655	December
Korea IT Fund (*3)	Korea	Investment	63.3	339,371	63.3	336,404	December
Joyvio (*5)	China	Investment	-	-	13.3	195,987	December
Content Wavve Corp.	Korea	Broadcasting	40.5	83,213	40.5	118,459	December
Best Oil Company Ltd.	Myanmar	Oil product trading and distribution	35.0	163,098	35.0	150,945	September
TBM Co., Ltd. (*2)	Japan	Manufacturing	13.3	87,547	13.4	94,637	December
ENN (Zhoushan) LNG Co., Ltd. (*2)	China	Energy	10.0	161,820	10.0	146,415	December
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	Laos	Hydropower generation	26.0	148,906	26.0	149,761	December
BLOOMENERGY CORPORATION (*2)	USA	Other power generation	10.5	596,015	10.5	579,440	December
TERRAPOWER, LLC (*2)	USA	Small nuclear reactor	11.7	278,785	11.7	284,753	December
Londian Wason New Energy Tech. Inc.	Cayman	EV charger manufacturing	29.6	482,828	29.6	474,388	December
CENVIRO SDN. BHD.	Malaysia	Recycling and recovery	30.0	144,246	30.0	135,427	December
Goseong Green Power Co., Ltd. (*2)	Korea	Thermal power generation	10.0	106,515	10.0	117,674	December
ChangZhou BTR New Material Technology CO.,LTD.	China	New energy	25.0	113,002	25.0	107,487	December
Nexeon	UK	Investment	21.3	112,593	21.3	106,024	December
Amogy Inc. (*2)	USA	Fuel cell	15.3	99,531	15.3	101,966	December
Others				2,325,389		2,125,426	
				₩ 23,153,811		₩ 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 six-month periods ended June 30, 2024 (See Note 35).

(2) Changes in investments in associates for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024								Ending balance
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others(*1)	
Associates	₩ 21,708,429	₩ 217,338	₩ (299,391)	₩ 1,204,013	₩ 187,381	₩ (159,919)	₩ 36,470	₩ 259,490	₩ 23,153,811

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

	For the six-month period ended June 30, 2023								Ending balance
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Others(*1)	Ending balance	
Associates	₩ 24,461,292	₩ 701,505	₩ (62,899)	₩ (1,199,318)	₩ 21,881	₩ (177,357)	₩ (921,095)	₩ 22,824,009	

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

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June 30, 2024 and 2023

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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	June 30, 2024	Accumulated	June 30, 2024	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 1,445	₩ 8,059	₩ -	₩ -
Chuncheon Green Energy Co., Ltd.	(25)	-	-	-
Yongin General Industrial Complex Co.,Ltd	23,292	23,292	8	8
InterVest New Growth Fund	50	766	-	-
CHUNGJU BIJEU KOEO CITY CO., LTD.	49	245	-	-
HAEUNDAE MARINEWON PFV CO.,LTD.	8,515	30,548	-	-
Chuncheon Clean Water Load Co., Ltd	4	22	-	-
Pohang New Water Road Co., Ltd	38	404	-	-
Gangneung Sacheon Fuelcell	17	17	-	-
BARR Operation and Maintenance. LLP	(838)	-	-	-
Sonori corp	24	115	-	-
Invites Genomics Co.,Ltd. (formerly Invites healthcare Co., Ltd.)	10	232	-	-
U-land Co.,Ltd.	10,307	18,151	(175)	1,004
Daehan Kanggun BcN Co., Ltd.	-	1,011	-	-
Yemen LNG Company Ltd.	-	4,176	-	(124)
WHITETAILCLEANENERGYLTD.	-	74,518	-	19,268
HCM001,LLC	7,162	7,162	18,467	18,467
Masterm 171 Yangjoo PFV Co. Ltd.	191	191	-	-
Samam Solar Co., Ltd.	19	19	-	-
	₩ 50,260	₩ 168,928	₩ 18,300	₩ 38,623

	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. (*1)	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 Genomics Co.,Ltd. (formerly 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

(*1) It was disposed of during the six-month period ended June 30, 2024

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11. Investments in joint operations

Details of joint operations as of June 30, 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.
	June 30, 2024	December 31, 2023			
Ulsan Aromatics Co., Ltd.	50%	50%	Korea	June 30	(*1,2)
PT. Patra SK	65%	65%	Indonesia	June 30	(*1,3)
HDGSK JV	25%	25%	Iraq	June 30	(*1,4)
TPSK JV	50%	50%	Vietnam	June 30	(*1,5)
BUILD KING - SK ECOPLANT JV(East)	40%	40%	Hong Kong	June 30	(*1,6)
BUILD KING - SK ECOPLANT JV(West)	49%	49%	Hong Kong	June 30	(*1,7)
RIVERLINKX CJV	20%	20%	UK	June 30	(*1,8)
Sotra Link Construction JV	30%	30%	Norway	June 30	(*1,9)

(*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 Ferrovial, BAM on February, 2020 and is engaged in Construction activities on the Silvertown Tunnel site.

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

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12. Property, plant and equipment

(1) Details of property, plant and equipment as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land	₩ 10,017,952	₩ -	₩ (15,842)	₩ 10,002,110
Buildings	11,002,955	(1,542,192)	(52,152)	9,408,611
Structures	3,274,494	(1,078,429)	(18,799)	2,177,266
Machinery and equipment	44,128,726	(21,991,864)	(156,455)	21,980,407
Vehicles	314,307	(149,545)	(2,397)	162,365
Operating lease asset	144,649	(32,658)	(4,051)	107,940
Others	10,920,749	(4,082,024)	(378,221)	6,460,504
Construction-in-progress	27,456,686	-	-	27,456,686
	<u>₩ 107,260,518</u>	<u>₩ (28,876,712)</u>	<u>₩ (627,917)</u>	<u>₩ 77,755,889</u>

	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
	<u>₩ 101,925,957</u>	<u>₩ (27,803,417)</u>	<u>₩ (628,108)</u>	<u>₩ 73,494,432</u>

(2) Changes in property, plant and equipment for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024							
	Beginning balance	Acquisition	Disposals	Depreciation	Reversal (Impairment)	Transfers(*1)	Others(*2)	Ending balance
Land	₩ 9,743,705	₩ 9,779	₩ (15,350)	₩ -	₩ -	₩ (21,116)	₩ 285,092	₩ 10,002,110
Buildings	8,068,015	4,676	(32,553)	(161,892)	-	1,504,360	26,005	9,408,611
Structures	2,211,690	7,399	(1,741)	(83,507)	-	42,916	509	2,177,266
Machinery and equipment	22,068,857	170,428	(19,695)	(2,085,950)	(52,599)	1,591,252	308,114	21,980,407
Vehicles	165,058	7,630	(1,657)	(13,619)	1	2,064	2,888	162,365
Operating lease asset	2,580,610	470,484	(6,313)	(248,562)	(1,293)	(2,686,851)	(135)	107,940
Others	5,901,800	612,149	(14,295)	(397,412)	23,901	50,762	283,599	6,460,504
Construction-in-progress	22,754,697	6,993,762	(8,561)	-	(4,307)	(3,611,056)	1,332,151	27,456,686
	<u>₩ 73,494,432</u>	<u>₩ 8,276,307</u>	<u>₩ (100,165)</u>	<u>₩ (2,990,942)</u>	<u>₩ (34,297)</u>	<u>₩ (3,127,669)</u>	<u>₩ 2,238,223</u>	<u>₩ 77,755,889</u>

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

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

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

	For the six-month period ended June 30, 2023								Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Reversal (Impairment)	Transfers(*1)	Others(*2)		
Land	₩ 9,316,944	₩ 10,285	₩ (30,167)	₩ -	₩ -	₩ 245,098	₩ 18,530	₩ 9,560,690	
Buildings	6,609,655	9,937	(3,591)	(147,574)	(2)	1,408,852	34,833	7,912,110	
Structures	1,906,675	2,910	(221)	(73,279)	-	129,166	54,088	2,019,339	
Machinery and equipment	20,873,162	239,467	(23,802)	(2,148,048)	(4,235)	2,744,854	(346,111)	21,335,287	
Vehicles	177,588	9,045	(1,879)	(15,520)	-	4,355	(420)	173,169	
Operating lease asset	2,387,593	614,432	(9,096)	(253,970)	(2,561)	(120,702)	(2,127)	2,613,569	
Others	5,280,841	683,565	(5,573)	(375,095)	24	44,417	(171,193)	5,456,986	
Construction-in-progress	13,369,414	7,995,687	(8,483)	-	(6,693)	(4,760,541)	425,273	17,014,657	
	₩ 59,921,872	₩ 9,565,328	₩ (82,812)	₩ (3,013,486)	₩ (13,467)	₩ (304,501)	₩ 12,873	₩ 66,085,807	

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

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

13. Right-of-use assets and lease

(1) Details of right-of-use assets as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land and buildings	₩ 4,106,894	₩ (1,600,402)	₩ (4,765)	₩ 2,501,727
Tanks	386,369	(254,941)	-	131,428
Ships	1,940,119	(622,222)	-	1,317,897
Vehicles	445,639	(321,479)	(3,521)	120,639
Others	615,261	(239,771)	(161)	375,329
	₩ 7,494,282	₩ (3,038,815)	₩ (8,447)	₩ 4,447,020

	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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,648,196	₩ 287,814	₩ (175,043)	₩ (283,698)	₩ 24,458	₩ 2,501,727
Tanks	143,795	15,785	-	(34,503)	6,351	131,428
Ships	1,327,799	-	-	(76,268)	66,366	1,317,897
Vehicles	644,182	123,949	(70,283)	(63,884)	(513,325)	120,639
Others	412,959	76,162	(18,130)	(73,480)	(22,182)	375,329
	₩ 5,176,931	₩ 503,710	₩ (263,456)	₩ (531,833)	₩ (438,332)	₩ 4,447,020

	For the six-month period ended June 30, 2023					
	Beginning Balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,519,406	₩ 340,434	₩ (61,335)	₩ (288,009)	₩ (3,652)	₩ 2,506,844
Tanks	156,403	47,403	(174)	(32,910)	1,495	172,217
Ships	1,435,547	1,630	-	(69,460)	43,026	1,410,743
Vehicles	946,903	83,130	(170,960)	(101,544)	(16,022)	741,507
Others	379,155	29,889	(10,272)	(53,261)	(5,922)	339,589
	₩ 5,437,414	₩ 502,486	₩ (242,741)	₩ (545,184)	₩ 18,925	₩ 5,170,900

(*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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Short-term Lease-Related Costs	₩ 83,935	₩ 114,307
Low-value underlying asset lease-related costs	8,973	5,442
Costs related to variable lease payments not included in the measurement of lease liabilities	79,915	77,442
	₩ 172,823	₩ 197,191

(4) Details of total cash out flows due to leases for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Total cash out flows from leases	₩ 793,944	₩ 841,923

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14. Investment properties

(1) Details of investment properties as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Acquisition cost	₩ 3,369,079	₩ 3,323,282
Accumulated depreciation	(268,166)	(225,130)
Accumulated impairment loss	(4,416)	(4,247)
	<u>₩ 3,096,497</u>	<u>₩ 3,093,905</u>

(2) Changes in investment properties for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024								Ending balance
	Beginning balance	Acquisition	Disposal	Depreciation	Impairment	Transfers	Others(*1)	Ending balance	
Land	₩ 1,241,040	₩ 3	₩ (2,626)	₩ -	₩ -	₩ (10,734)	₩ (29,096)	₩ 1,198,587	
Buildings	1,841,385	902	(2,859)	(25,999)	-	2,366	72,072	1,887,867	
Structures	1,041	41	-	(61)	-	(41)	(371)	609	
Right-of-use assets	10,439	-	-	(914)	-	(91)	-	9,434	
	<u>₩ 3,093,905</u>	<u>₩ 946</u>	<u>₩ (5,485)</u>	<u>₩ (26,974)</u>	<u>₩ -</u>	<u>₩ (8,500)</u>	<u>₩ 42,605</u>	<u>₩ 3,096,497</u>	

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

	For the six-month period ended June 30, 2023								Ending balance
	Beginning balance	Acquisition	Disposal	Depreciation	Impairment	Transfers	Others(*1)	Ending balance	
Land	₩ 1,121,125	₩ 447	₩ (1,208)	₩ -	₩ -	₩ 9,078	₩ (3,482)	₩ 1,125,960	
Buildings	739,922	4,116	(16,748)	(15,105)	(120)	28,177	2,543	742,785	
Structures	5,059	560	-	(63)	-	-	(1)	5,555	
	<u>₩ 1,866,106</u>	<u>₩ 5,123</u>	<u>₩ (17,956)</u>	<u>₩ (15,168)</u>	<u>₩ (120)</u>	<u>₩ 37,255</u>	<u>₩ (940)</u>	<u>₩ 1,874,300</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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024						Ending balance
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers(*1)	Others(*2)	
Goodwill	₩ 6,845,928	₩ 431	₩ -	₩ (47,829)	₩ (183,519)	₩ 166,446	₩ 6,781,457

(*1) Subsidiary SK Networks Co., Ltd classified its rental car business division as a discontinued operation and the division's assets have been reclassified as held for sale.

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

	For the six-month period ended June 30, 2023						Ending balance
	Beginning balance	Acquisition	Consolidation	Impairment	Transfers(*1)	Others(*2)	
Goodwill	₩ 7,475,558	₩ -	₩ 535,543	₩ -	₩ (1,181,716)	₩ 117,518	₩ 6,946,903

(*1) Subsidiary SK Square Co., Ltd. classified its security business division as a discontinued operation, and the division's assets have been reclassified as held for sale.

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

16. Intangible assets

Changes in intangible assets for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024								Ending balance
	Beginning balance	Acquisition	Disposal	Amortization	Impairment	Transfers(*3)	Others(*4)		
Frequency usage rights	₩ 1,606,606	₩ -	₩ -	₩ (235,530)	₩ -	₩ -	₩ -	₩ -	₩ 1,371,076
Industrial property rights	190,820	3,016	(251)	(6,045)	(4)	512	13,213		201,261
Development costs	241,071	16,950	(1,585)	(35,553)	-	112,224	1,484		334,591
Facility usage rights	27,758	657	-	(2,188)	-	488	(5)		26,710
Customer-related assets	2,461,423	-	-	(130,614)	-	(6,767)	15,474		2,339,516
Development costs for petroleum resource	1,482,623	62,474	-	(79,937)	-	8,454	6,785		1,480,399
Memberships (*1)	374,757	13,935	(33,014)	-	-	(4,777)	679		351,580
Brand-related assets (*1)	2,288,941	-	-	-	-	-	4,059		2,293,000
Developed technology	955,825	3,652	-	(95,457)	-	-	21,789		885,809
Others (*2)	2,111,595	49,363	(5,862)	(354,897)	(489)	131,904	22,470		1,954,084
	₩ 11,741,419	₩ 150,047	₩ (40,712)	₩ (940,221)	₩ (493)	₩ 242,038	₩ 85,948		₩ 11,238,026

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

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

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

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

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16. Intangible assets (cont'd)

	For the six-month period ended June 30, 2023								Ending balance
	Beginning balance	Acquisition	Disposal	Amortization	Impairment	Transfers(*3)	Others(*4)		
Frequency usage rights	₩ 2,082,434	₩ -	₩ -	₩ (240,297)	₩ -	₩ -	₩ -	₩ (1)	₩ 1,842,136
Industrial property rights	194,812	8,750	(10)	(5,903)	(29)	1,914	3,147		202,681
Development costs	252,314	18,997	-	(36,549)	(17,576)	16,595	2,112		235,893
Facility usage rights	33,351	976	(1)	(2,787)	-	996	157		32,692
Customer-related assets	2,985,910	2,576	(2,523)	(139,620)	-	(499,118)	13,121		2,360,346
Development costs for petroleum resource	1,300,661	76,117	-	(41,359)	(886)	(11,189)	10,493		1,333,837
Memberships (*1)	353,156	28,213	(13,237)	-	-	(4,887)	(309)		362,936
Brand-related assets (*1)	2,681,683	-	-	-	-	(379,220)	1,707		2,304,170
Developed technology	876,564	-	-	(90,866)	-	-	12,860		798,558
Others (*2)	1,948,134	46,368	(1,075)	(299,378)	(4,411)	103,783	15,040		1,808,461
	₩ 12,709,019	₩ 181,997	₩ (16,846)	₩ (856,759)	₩ (22,902)	₩ (771,126)	₩ 58,327		₩ 11,281,710

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

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

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

(*4) This includes net translation differences, excluding scope of consolidation and others.

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17. Bonds and borrowings

(1) Details of bonds and borrowings as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 19,571,541	₩ -	₩ 17,388,374	₩ -
Bonds and long-term borrowings:				
Bonds	8,748,935	28,610,059	8,113,947	29,308,832
Long-term borrowings	<u>5,170,187</u>	<u>19,925,714</u>	<u>4,905,343</u>	<u>19,261,397</u>
	<u>13,919,122</u>	<u>48,535,773</u>	<u>13,019,290</u>	<u>48,570,229</u>
	<u>₩ 33,490,663</u>	<u>₩ 48,535,773</u>	<u>₩ 30,407,664</u>	<u>₩ 48,570,229</u>

(*1) It includes borrowings collateralized for trade receivables of ₩122,000 million and ₩113,351 million as of June 30, 2024 and December 31, 2023, respectively, which were transferred but not derecognized.

(2) Details of bonds as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
SK Inc.	₩ 7,260,000	₩ 7,300,000
SK Innovation Co., Ltd.	800,000	1,050,000
SK Energy Co., Ltd.	2,680,000	3,030,000
SK Geo Centric Co., Ltd.	1,700,000	1,650,000
SK Incheon Petrochem Co., Ltd.	1,877,000	1,817,000
SK Enmove Co., Ltd.	920,000	920,000
SK ie technology Co., Ltd.	215,000	-
SK Battery America, Inc.	1,667,040	2,063,040
SK On Co., Ltd.	2,310,280	1,146,820
SK Earthon Co., Ltd.	150,000	150,000
IPC First Securitization Specialty Company	180,000	180,000
SK Telecom Co., Ltd.	6,869,122	6,744,471
SK Broadband Co., Ltd.	1,706,760	1,606,820
SK Networks Co., Ltd.	840,000	1,210,000
SK Magic Co., Ltd.	740,000	610,000
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.	2,500,000	2,200,000
Paju Energy Service Co., Ltd.	610,000	610,000
Narae Energy Service Co., Ltd.	250,000	250,000
Yeosu Energy Service Co., Ltd.	200,000	200,000
Ige Co., Ltd.	130,000	130,000
SK Ecoplant Co., Ltd.	1,302,000	1,474,000
Topsun Co., Ltd.	3,908	4,245
SK Oceanplant Co., Ltd.	50,000	50,000
SK Specialty Co., Ltd.	580,000	580,000
SK Materials airplus Incorporated.	100,000	40,000
SK Siltron Co., Ltd.	949,000	869,000
Teraon Co., Ltd.	10	10
SK REIT Co., Ltd.	628,100	468,100
SK Rent-a-Car Co., Ltd.	-	920,000
8 Rivers Capital LLC	-	4,835
	<u>37,423,220</u>	<u>37,483,341</u>
Less: discount on bonds	(64,226)	(60,562)
Less: current portion	<u>(8,748,935)</u>	<u>(8,113,947)</u>
	<u>₩ 28,610,059</u>	<u>₩ 29,308,832</u>

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17. Bonds and borrowings (cont'd)

(3) Details of long-term borrowings as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

Description	Financial institution	Issuing currency	Interest rate	June 30, 2024	December 31, 2023
General	Korea Development Bank and others	KRW	1.00% ~ 7.80%	₩ 7,934,547	₩ 7,925,789
Fund for facility	Korea Development Bank and others	KRW	1.50% ~ 7.08%	8,082,143	8,326,877
Foreign borrowings	Standard Chartered Bank and others	USD and Others	0.75% ~ 8.33%	6,349,739	6,200,145
Fund for mine exploration	Korea Energy Agency (*1)	USD	0.00% ~ 8.80%	108,464	104,284
Takeover	Korea Development Bank and others	USD	SOFR + 2.00% 3.43% ~ 7.38%	1,150,946	180,516
Takeover	Mizuho Bank and others	EUR	EURIBOR(3M)+1.60%	239,418	229,681
Repayment-exemptable loan	Kentucky Economic Development Finance Authority (*2)	USD	-	347,300	322,350
Others	MD Prime 1st Co., Ltd. and others	KRW	3M CD+1.8%, 4.95%	1,007,818	1,007,818
				₩ 25,220,375	₩ 24,297,460
Less: discount				(124,474)	(130,720)
Less: current portion				(5,170,187)	(4,905,343)
				₩ 19,925,714	₩ 19,261,397

(*1) As of June 30, 2024 and December 31, 2023, the Group holds a loan amounting to ₩61,044 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 repayment obligation will be extinguished when the required employment and wage levels are met over the specified periods for the amount received by the subsidiary BlueOval SK, LLC from the local government.

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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	As of and for the six-month period ended June 30, 2024								
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 388,030	₩ 42,219	₩ (38,950)	₩ (1,050)	₩ 28,223	₩ 418,472	₩ 41,747	₩ 376,725	
Provision for service / construction warranties	102,415	14,627	(6,548)	(56)	(3,077)	107,361	107,361	-	
Provision for restoration	792,561	36,375	(7,850)	(2,710)	44,522	862,898	98,342	764,556	
Provision for onerous contracts	186,575	4,619	(4,410)	(29,452)	(10,068)	147,264	107,427	39,837	
Emission provisions	7,819	5,303	(5,020)	(66)	320	8,356	8,259	97	
Litigation provisions	36,893	158	-	(253)	5,527	42,325	42,325	-	
Other provisions	291,355	252,322	(189,722)	(24,793)	3,360	332,522	305,984	26,538	
	₩ 1,805,648	₩ 355,623	₩ (252,500)	₩ (58,380)	₩ 68,807	₩ 1,919,198	₩ 711,445	₩ 1,207,753	

(*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 six-month period ended June 30, 2023								
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 215,191	₩ 112,551	₩ (7,110)	₩ (2,241)	₩ 2,078	₩ 320,469	₩ 39,223	₩ 281,246	
Provision for service / construction warranties	95,848	11,642	(10,702)	(31)	4,283	101,040	101,040	-	
Provision for restoration	705,171	44,961	(12,515)	(10,275)	23,707	751,049	141,087	609,962	
Provision for onerous contracts	282,239	4,992	(22,239)	(39,869)	6,633	231,756	190,196	41,560	
Emission provisions	8,467	4,201	(2,711)	(2,512)	(223)	7,222	7,128	94	
Litigation provisions	18,543	303	(8,876)	(5,333)	3,396	8,033	7,340	693	
Other provisions	181,565	216,839	(180,681)	(3,859)	(16,824)	197,040	84,287	112,753	
	₩ 1,507,024	₩ 395,489	₩ (244,834)	₩ (64,120)	₩ 23,050	₩ 1,616,609	₩ 570,301	₩ 1,046,308	

(*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 (assets) as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024		December 31, 2023	
Present value of defined benefit obligation	₩	3,800,565	₩	3,749,577
Fair value of plan assets		(3,987,301)		(4,212,131)
Defined benefit asset (*1)		(350,097)		(518,616)
Defined benefit liability		163,361		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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 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	218,436	-	218,436
Past service cost	(737)	-	(737)
Net interest cost (income)	75,349	(87,630)	(12,281)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	(1,826)	(1,826)
Actuarial gain from changes in financial assumptions	54,760	-	54,760
Contributions by employer directly to plan assets	-	(37,809)	(37,809)
Benefit payments	(295,962)	334,283	38,321
Others	(858)	17,812	16,954
Ending balance	₩ 3,800,565	₩ (3,987,301)	₩ (186,736)

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

	For the six-month period ended June 30, 2023		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,418,566	₩ (3,908,480)	₩ (489,914)
Consolidation	67,840	(82,504)	(14,664)
Current service cost	216,670	-	216,670
Past Service cost	(15,014)	-	(15,014)
Net interest cost (income)	87,022	(101,399)	(14,377)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	10,205	10,205
Actuarial gain from changes in financial assumptions	69,637	-	69,637
Contributions by employer directly to plan assets	-	(55,722)	(55,722)
Benefit payments	(221,351)	214,853	(6,498)
Transferred to liabilities held for sale	(166,479)	40,277	(126,202)
Others	(47,133)	63,541	16,408
Ending balance	₩ 3,409,758	₩ (3,819,229)	₩ (409,471)

20. Other assets and liabilities

(1) Details of other assets as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Current assets :		
Short-term loans	₩ 214,149	₩ 246,555
Accrued income	206,177	117,323
Advanced payments	1,511,607	1,452,222
Prepaid expenses	2,853,632	2,865,728
Guarantee deposits	461,951	507,630
Derivative financial assets	542,813	290,304
Lease receivables	25,471	23,892
Other contract assets	131,746	111,638
Others	91,072	113,424
	₩ 6,038,618	₩ 5,728,716
Non-current assets :		
Long-term prepaid expenses	₩ 1,201,563	₩ 1,217,004
Long-term loans	782,365	673,027
Guarantee deposits	563,019	615,445
Derivative financial assets	1,309,720	1,258,951
Long-term lease receivables	45,879	43,385
Other long-term contract assets	46,024	57,228
Others	184,080	156,930
	₩ 4,132,650	₩ 4,021,970

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20. Other assets and liabilities (cont'd)

(2) Details of other liabilities as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024		December 31, 2023
Current liabilities :			
Accrued expenses	₩ 4,058,812	₩	4,364,459
Dividends payable	1,008		983
Advances received	1,778,288		1,824,137
Unearned revenue	235,901		269,329
Withholdings	1,337,342		1,011,052
Leasehold deposits received	883,214		1,086,643
Income tax payable	688,179		903,539
Derivative financial liabilities	486,718		368,900
Lease liabilities	1,007,659		1,239,548
Finance guarantee liabilities	12,566		10,048
Financial liabilities at fair value through profit or loss	28,314		25,085
Other contract liabilities	348,559		240,815
Others	25,606		37,132
	<u>₩ 10,892,166</u>	₩	<u>11,381,670</u>
Non-current liabilities :			
Long-term accrued expenses	₩ 16,832	₩	21,078
Advances received	757,395		809,827
Long-term unearned revenue	737,145		763,917
Leasehold deposits received	160,914		391,159
Derivative financial liabilities	1,159,164		1,250,772
Long-term lease liabilities	3,661,364		3,989,530
Financial guarantee liabilities	21,080		18,514
Financial liabilities at fair value through profit or loss	705,325		457,319
Other long-term contract liabilities	90,332		98,901
Others (*1)	572,363		597,389
	<u>₩ 7,881,914</u>	₩	<u>8,398,406</u>

(*1) Includes long-term employee benefit liabilities amounting to ₩138,299 million and ₩134,549 million as of June 30, 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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 25,895	₩ 6,175	₩ 172	₩ 89,698
Swap contracts	236,828	363,191	17,656	555,174
Forward contracts	77,066	84,519	378,032	7,278
Futures contracts	11,300	-	-	-
Options contracts	187,147	847,816	10,878	491,795
Embedded derivative	4,577	8,019	79,980	15,219
	₩ 542,813	₩ 1,309,720	₩ 486,718	₩ 1,159,164

	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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions, except for number of shares):

	June 30, 2024	
	Common stocks	Preferred stocks (No voting rights)
Number of shares authorized (in shares)	400,000,000	45,000,000
Par value per share (in won)	₩ 200	₩ 200
Number of shares issued (in shares)	72,502,703	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	45,000,000
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, 695,626 shares of its treasury share (par value : ₩139 million) during the six-month period ended June 30, 2024 and 951,000 shares of its treasury share (par value : ₩190 million) for the year ended December 31, 2023 by reducing retained earnings, which resulted in a difference between the total par value of ordinary shares and issued capital. Meanwhile, the total number of shares 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 six-month periods ended June 30, 2024 and 2023 are as follows (In shares):

	<u>For the six-month period ended June 30, 2024</u>	
	<u>Common stocks</u>	<u>Preferred stocks (No voting rights)</u>
Beginning	73,198,329	566,135
Retirement of treasury shares	(695,626)	-
Ending	<u>72,502,703</u>	<u>566,135</u>

	<u>For the six-month period ended June 30, 2023</u>	
	<u>Common stocks</u>	<u>Preferred stocks (No voting rights)</u>
Beginning	74,149,329	566,135
Retirement of treasury shares	(951,000)	-
Ending	<u>73,198,329</u>	<u>566,135</u>

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23. Other paid-in capital

(1) Details of other paid-in capital as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,948,386)	(1,960,078)
Other capital surplus	2,300,412	2,375,837
	<u>₩ 6,961,193</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 June 30, 2024, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (6,959,117 ordinary shares) and those acquired from repurchase of shares from dissenting shareholders on business combination and shares arising from odd lot shares (11,023,237 ordinary shares and 1,787 preferred shares) during the year 2015.

(2) Details of treasury shares as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Number of treasury shares (in shares)	17,984,141	18,336,199
Acquisition amount	₩ 1,948,386	₩ 1,960,078

(3) Changes in treasury shares for the six-month periods ended June 30, 2024 and 2023 are as follows (In shares):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Beginning	18,336,199	18,976,607
Acquisition	357,602	-
Disposal	(14,034)	(27,434)
Retirement	(695,626)	(951,000)
Ending	<u>17,984,141</u>	<u>17,998,173</u>

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24. Retained earnings

Details of retained earnings as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>June 30, 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>13,572,760</u>	<u>13,597,097</u>
	<u>₩ 13,643,729</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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Net loss on valuation of financial assets measured at FVOCI	₩ (1,607,670)	₩ (1,548,777)
Equity adjustments of investments in associates and joint ventures	229,321	159,350
Net gain on valuation of derivative instruments	77,337	43,735
Net gain on translation of foreign operation	<u>2,505,785</u>	<u>1,363,271</u>
	<u>₩ 1,204,773</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 June 30, 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 six-month period ended June 30, 2024.

(*2) All options granted in wave 2 were fully exercised during the six-month period ended June 30, 2024.

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

2) Details of compensation cost as of June 30, 2024 and 2023, due to stock option program are as follows (Korean won in millions):

June 30, 2024					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (1,219)	₩ 14,085	₩ -	₩ 14,085	₩	₩ 12,758
June 30, 2023					
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (7,652)	₩ 11,098	₩ -	₩ 11,098	₩	₩ 9,884

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26. Share-based payment (cont'd)

3) Changes in stock options for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won):

	For the six-month period ended June 30, 2024		For the six-month period ended June 30, 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	77,256	93,962

4) The assumptions and variables used in option pricing model as of June 30, 2024 are as follows (Korean won):

Descriptions	June 30, 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)	₩ 158,300	₩ 158,300	₩ 158,300	₩ 158,300
Risk-free interest rate	3.19%	3.19%	3.19%	3.19%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	39.50%	39.50%	39.50%	39.50%
Dividend yield	3.16%	3.16%	3.16%	3.16%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 39,491	₩ 39,491	₩ 73,401	₩ 73,401

- 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	For 2023
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)

Descriptions	For 2024
Evaluation base date	May 30, 2024
Grant date	March 27, 2024
Types of shares to be issue	Ordinary shares
Grant method	Reissue of treasury shares, cash payment for specific Reasons
Number of shares paid	Determined in consideration of the absolute stock price increase/decrease rate and the relative stock price increase/decrease rate (or corporate value increase/decrease rate) compared to the KOSPI200 for three years from the date of grant
Payment time	The final quantity or amount of payment will be confirmed on the date of the regular shareholders' meeting in 2027, within one month after the date of resolution of the board of directors, on the premise of the approval of the agenda of the board of directors approving the payment
Vesting conditions	1 year service from January 1, 2024

2) Details of compensation cost as of June 30, 2024, due to Equity-settled Share-based Payment are as follows (Korean won in millions):

June 30, 2024					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs		
₩ 536	₩ 5,257	₩ 1,343	₩	6,600	

3) The assumptions and variables used in the option pricing model for equity-settled share-based payment as of June 30, 2024 are as follows (Korean won):

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

In addition, the Group has entered into a Stock Grant that pays treasury stocks to employees for free apart from the above stock options. In the case of such Stock Grant, there is no requirement for vesting condition, and may not be transferred during the term of the stock. As of June 30, 2024, the recognized stock compensation costs related to the Stock Grant are ₩340 million.

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26. Share-based payment (cont'd)

(2) Subsidiaries of the Group established a stock option program that entitles key management personnel an option to purchase ordinary shares. Share-based compensation expenses recognized under the share option program as of June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024			
	Current	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 29,557	₩ 89,203	₩ 135,022	₩ 224,225
Group of SK Telecom Co., Ltd.	(154)	167,550	719	168,269
Group of SK Square Co., Ltd.	4,096	69,545	11,049	80,594
Group of SK Networks Co., Ltd.	1,074	7,821	1,374	9,195
Group of SKC Co., Ltd.	6,528	11,888	-	11,888
Group of SK Ecoplant Co., Ltd.	1,536	9,242	1,924	11,166
Others	3,982	56,599	10,436	67,035
	<u>₩ 46,619</u>	<u>₩ 411,848</u>	<u>₩ 160,524</u>	<u>₩ 572,372</u>

	June 30, 2023			
	Current	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 13,519	₩ 21,052	₩ 69,847	₩ 90,899
Group of SK Telecom Co., Ltd.	857	156,436	2,129	158,565
Group of SK Square Co., Ltd.	15,340	85,950	33,262	119,212
Group of SK Networks Co., Ltd.	(470)	2,436	-	2,436
Group of SKC Co., Ltd.	1,574	6,391	1,024	7,415
Group of SK Ecoplant Co., Ltd.	1,722	5,411	5,788	11,199
Others	1,053	6,655	6,265	12,920
	<u>₩ 33,595</u>	<u>₩ 284,331</u>	<u>₩ 118,315</u>	<u>₩ 402,646</u>

27. Selling and administrative expenses

Details of selling and administrative expenses for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Salaries	₩ 595,367	₩ 1,205,084	₩ 570,311	₩ 1,125,225
Provision for pension benefits	36,100	72,764	28,061	55,912
Employee welfare benefits	123,957	302,738	125,127	267,613
Travel	28,311	55,142	36,034	64,873
Bad debt expenses(reversal)	18,233	32,718	(39,147)	(21,715)
Communications	3,701	7,861	3,272	6,639
Utilities	10,435	25,368	10,082	30,282
Taxes and dues	44,644	74,445	33,436	78,450
Supplies	11,672	22,630	10,840	24,565
Rents	57,982	111,006	52,700	103,231
Depreciation	160,314	319,967	138,409	273,318
Amortization	117,052	227,981	90,885	184,651
Repairs	8,704	16,950	5,779	13,918
Insurance	21,726	42,148	19,280	37,537
Advertising	122,759	236,570	168,003	298,415
Research and development	183,336	370,020	180,812	364,217
Education and examination	19,888	37,079	14,800	37,303
Outsourcing technology services	252,109	538,101	340,515	585,039
Transport	83,410	164,210	76,169	153,122
Others	85,097	178,605	102,992	227,899
	<u>₩ 1,984,797</u>	<u>₩ 4,041,387</u>	<u>₩ 1,968,360</u>	<u>₩ 3,910,494</u>

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28. Finance income and costs

(1) Details of finance income for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Financial income:				
Interest income	₩ 232,952	₩ 483,287	₩ 206,993	₩ 403,006
Gain on foreign currency transactions	536,132	1,054,406	596,319	1,523,550
Gain on foreign currency translation	148,424	442,358	110,770	405,161
Gain on transactions of derivatives	371,274	663,275	527,668	940,610
Gain on valuation of derivatives	(50,357)	323,588	(38,311)	231,833
Others	182,588	226,612	50,691	111,185
	₩ 1,421,013	₩ 3,193,526	₩ 1,454,130	₩ 3,615,345

(2) Details of finance costs for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Finance costs:				
Interest expense	₩ 920,846	₩ 1,819,149	₩ 744,839	₩ 1,457,135
Loss on foreign currency transactions	627,444	1,186,141	786,490	1,760,082
Loss on foreign currency translation	125,251	558,310	(39,665)	415,030
Loss on transactions of derivatives	557,750	866,444	430,154	819,167
Loss on valuation of derivatives	(32,362)	350,356	(47,521)	128,645
Others	87,168	182,170	74,127	162,693
	₩ 2,286,097	₩ 4,962,570	₩ 1,948,424	₩ 4,742,752

29. Other non-operating income and expenses

(1) Details of other non-operating income for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Other non-operating income:				
Dividend income	₩ 16,018	₩ 39,081	₩ 14,219	₩ 50,835
Rental income	680	1,061	358	994
Gain on disposal of investments in associates and joint ventures	194,617	230,009	5,826	17,959
Gain on disposal of property, plant and equipment	36,048	49,362	543,110	548,840
Gain on disposal of intangible assets	5,359	12,077	173	756
Others	89,341	194,200	69,467	199,011
	₩ 342,063	₩ 525,790	₩ 633,153	₩ 818,395

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

(2) Details of other non-operating expenses for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Other non-operating expenses:				
Loss on disposal of trade receivables	₩ 21,383	₩ 45,356	₩ 23,736	₩ 58,765
Loss on impairment of investments in associates	-	-	193,162	194,495
Loss on disposal of property, plant and equipment	23,363	29,553	9,100	13,405
Loss on impairment of property, plant and equipment	34,203	34,281	151	12,490
Loss on disposal of intangible assets	1,176	2,372	961	1,331
Loss on impairment of intangible assets	45,930	48,381	22,272	23,384
Donations	18,548	27,081	30,794	48,876
Others	58,596	131,039	143,813	218,610
	<u>₩ 203,199</u>	<u>₩ 318,063</u>	<u>₩ 423,989</u>	<u>₩ 571,356</u>

30. The Classification of expenses by nature

Details of the classification of expenses by nature for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Employee benefits	₩ 2,438,273	₩ 5,040,725	₩ 2,320,667	₩ 4,586,384
Depreciation and amortization	2,231,245	4,462,996	2,248,166	4,417,056
Network connection	177,810	367,256	173,639	352,382
Transport	131,950	371,924	200,178	480,784
Advertising	125,101	239,375	173,496	304,490
Lease payments and rents	114,223	241,725	124,982	261,411
Others	5,501,042	11,017,126	5,077,407	10,085,284
Use of raw materials and purchase of finished goods and merchandise	19,482,988	39,970,229	20,912,824	41,786,892
Changes in finished goods and semi-finished goods	350,114	11,081	(465,324)	(578,616)
Total (*1)	<u>₩ 30,552,746</u>	<u>₩ 61,722,437</u>	<u>₩ 30,766,035</u>	<u>₩ 61,696,067</u>

(*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 rate for the six-month period ended June 30, 2024 is 39.51%, and the average effective tax rate for continuing operations for the six-month period ended June 30, 2023 was not calculated due to pre-tax losses

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 and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of ordinary share outstanding):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Profit(loss) for the period from continuing operations attributable to owners of the Parent Company	₩ 177,677	₩ 288,016	₩ (148,719)	₩ (46,664)
Gain from discontinued operations attributable to owners of the Parent Company	3,291	50,375	7,325	27,847
Less: preference share dividends and residual profit(loss) (*1)	1,882	3,491	(1,408)	(189)
Profit(loss) for the period from continuing operations attributable to ordinary share owners of the Parent Company	175,857	285,069	(147,210)	(46,168)
Gain from discontinued operations attributable to ordinary share owners of the Parent Company	3,229	49,831	7,224	27,540
Weighted-average number of ordinary share outstanding (*2)	54,520,365	54,574,714	56,111,141	55,650,423
Basic earnings(losses) per share from continuing operations attributable to ordinary share owners of the Parent Company (in Korean won)	₩ 3,226	₩ 5,223	₩ (2,624)	₩ (830)
Basic earnings per share from discontinued operations attributable to ordinary share owners of the Parent Company (in Korean won)	₩ 59	₩ 913	₩ 129	₩ 495

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

(*2) The weighted-average number of 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 and six-month periods ended June 30, 2024 and 2023 is as follows:

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Weighted-average number of issued shares outstanding	73,037,800	73,117,621	74,149,329	74,149,329
Adjustment: treasury shares	(18,517,435)	(18,542,907)	(18,038,188)	(18,498,906)
Weighted-average number of ordinary shares outstanding	<u>54,520,365</u>	<u>54,574,714</u>	<u>56,111,141</u>	<u>55,650,423</u>

3) Basic earnings per share calculation details attribute to preference share owners of the parent for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of preference share outstanding):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Preference share dividends and residual profit(loss)	₩ 1,882	₩ 3,491	₩ (1,408)	₩ (189)
Profit(loss) for the period from continuing operations attributable to preferred share owners of the Parent Company	1,820	2,947	(1,509)	(496)
Gain from discontinued operations attributable to preference share owners of the Parent Company	62	544	101	307
Weighted-average number of preferred share outstanding	<u>564,348</u>	<u>564,348</u>	<u>564,348</u>	<u>564,348</u>
Basic earnings(losses) per share from continuing operations attributable to preference share owners of the Parent Company (in Korean won) (*1)	<u>₩ 3,225</u>	<u>₩ 5,222</u>	<u>₩ (2,674)</u>	<u>₩ (879)</u>
Basic earnings per share from discontinued operations attributable to preference share owners of the Parent Company (in Korean won) (*1)	<u>₩ 110</u>	<u>₩ 964</u>	<u>₩ 179</u>	<u>₩ 544</u>

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

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

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32. Earnings per share (cont'd)

(2) Diluted earnings per share

1) Diluted earnings per share calculation details attribute to ordinary share owners of the parent for the three-month and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions, except weighted-average number of ordinary share outstanding):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Profit(loss) for the period from continuing operations attributable to owners of the Parent Company	₩ 177,677	₩ 288,016	₩ (148,719)	₩ (46,664)
Gain from discontinued operations attributable to owners of the Parent Company	3,291	50,375	7,325	27,847
Less: preference share dividends and residual profit(loss) (*1)	1,882	3,491	(1,408)	(189)
Less: numerator adjustment of cash-settled stock option	2,067	897	3,936	5,632
Profit(loss) for the period from continuing operations attributable to ordinary share owners of the Parent Company	173,790	284,172	(151,146)	(51,800)
Gain from discontinued operations attributable to ordinary share owners of the Parent Company	3,229	49,831	7,224	27,540
Weighted-average number of ordinary share outstanding	54,569,923	54,638,898	56,162,072	55,717,199
Diluted earnings(losses) per share from continuing operations attributable to ordinary share owners of the Parent Company (in Korean won)	₩ 3,185	₩ 5,201	₩ (2,691)	₩ (930)
Diluted earnings per share from discontinued operations attributable to ordinary share owners of the Parent Company (in Korean won)	₩ 59	₩ 912	₩ 129	₩ 494

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

2) The basis of calculating weighted-average number of diluted ordinary shares for the three-month and six-month periods ended June 30, 2024 and 2023 is as follows:

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Weighted-average number of issued shares outstanding	54,520,365	54,574,714	56,111,141	55,650,423
Adjustment: stock option	49,558	64,184	50,931	66,776
Weighted-average number of diluted ordinary shares outstanding	54,569,923	54,638,898	56,162,072	55,717,199

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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 six-month periods ended June 30, 2024 and 2023.

(1) Related parties of the Group as of June 30, 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 and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	Company name	June 30, 2024				
		Sales and others		Expenses and others		
		Three-month	Six-month	Three-month	Six-month	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 575	₩ 16,500	₩ 15,569	₩ 32,140	
	SABIC SK Nexlene Company Pte. Ltd.	169	347	8,921	78,193	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	231	471	146,856	278,740	
	ChangZhou BTR New Material Technology CO.,LTD.	13,181	35,329	28,993	133,602	
	Ignis Therapeutics	7,505	10,878	-	-	
	Eurasia Tunnel	1,150	2,228	-	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	1,146	2,469	-	-	
	YONGIN General Industrial Complex Co.,Ltd	163,472	256,796	-	834	
	Bloom SK Fuel Cell, LLC	2,393	2,668	16,243	27,897	
	Godeok Clean Energy Co., Ltd.	1,170	3,344	1,230	2,513	
	Chuncheon Green Energy Inc.	2,914	3,791	-	-	
	Boryeong LNG Terminal Co., Ltd.	2,394	14,789	30,283	62,926	
	Darwin LNG Pty Ltd.	3	178	-	-	
	F&U Credit Information Co., Ltd.	940	1,688	12,561	24,685	
	SK Hynix Inc.	701,757	1,302,438	13,113	26,199	
	Best Oil Company Ltd.	362,410	639,549	51	2,547	
	Asia Bitumen Trading Pte. Ltd.	9,472	12,545	2,891	5,739	
	Huizhou EVE United Energy Co., Ltd.	17,326	31,314	109,216	216,439	
	Sotra Link Holdco AS	32,434	61,369	-	-	
	Daehan Kanggun BCN Co. Ltd.	8,400	16,749	-	-	
	Haman Green Energy Co., Ltd.	3,355	3,752	-	-	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	28,034	71,249	-	-	
	Goseong Green Power Co., Ltd.	791	1,881	-	-	
	Songsan Green Energy Co.,Ltd.	101,447	104,050	-	-	
	DCK One Co., Ltd.	106,611	209,629	-	-	
	BLOOMENERGY CORPORATION	237	237	30,567	183,987	
	SMCore. Inc.	108	195	25,789	38,297	
	HCS001, LLC	44,033	44,033	-	-	
	Others	96,543	195,513	62,332	125,804	
	Other related parties (*1)	Peru LNG Company, LLC.(*2)	13,690	55,875	-	-
		Baic Electronics SK (Jiangsu) Technology	3,972	8,800	62,511	137,414
		XINGLU (HONGKONG) LIMITED	14,000	17,025	-	-
		Happynarae Co., Ltd.	11,360	16,828	76,843	140,322
SK hynix Semiconductor (China) Ltd.		84,752	150,563	342	706	
SK Hynix Semiconductor Hongkong		-	4	132,114	304,128	
Korea Nexlene Company		7,120	49,219	-	76	
Ulsan Aromatics Co., Ltd.		18,298	36,101	20,412	42,388	
SK Gas Co., Ltd.		124,313	275,998	57,381	121,678	
SK Chemicals Co., Ltd.		12,942	24,707	2,377	3,387	
SK Shieldus Co., Ltd.		23,220	43,352	78,867	159,556	
UNA Engineering Co., Ltd.		222	465	18,886	34,442	
Ulsan GPS Corporation		45,930	104,390	-	-	
SK Bioscience Co., Ltd.		21,076	40,011	-	-	
SK Multi utility Co., Ltd.		59,656	133,538	5,021	10,160	
SK Eternix Co., Ltd.		3,369	3,369	-	-	
Others		57,248	129,725	58,204	91,786	
	<u>₩ 2,211,369</u>	<u>₩ 4,135,949</u>	<u>₩ 1,017,573</u>	<u>₩ 2,286,585</u>		

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

(*2) As the entire stake is sold during the period ended June 30, 2024, it is not applicable to related parties as of June 30, 2024. The transaction amount for the June 30, 2024 is the transaction amount up to the time when it is excluded from related parties.

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33. Transactions with related parties (cont'd)

	Company name	June 30, 2023				
		Sales and others		Expenses and others		
		Three-month	Six-month	Three-month	Six-month	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 522	₩ 16,114	₩ 17,603	₩ 35,130	
	SABIC SK Nexlene Company Pte. Ltd.	207	381	80,303	147,811	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	312	621	164,608	330,524	
	ChangZhou BTR New Material Technology CO.,LTD.	202,151	370,741	241,139	452,292	
	Ignis Therapeutics	5,696	5,696	-	-	
	Eurasia Tunnel	943	1,811	-	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	1,102	1,630	-	-	
	YONGIN General Industrial Complex Co.,Ltd	56,210	84,341	-	-	
	Bloom SK Fuel Cell, LLC	442	647	-	1,069	
	Godeok Clean Energy Co., Ltd.	35,030	76,601	-	-	
	Chuncheon Green Energy Inc.	5,110	13,865	-	-	
	Boryeong LNG Terminal Co., Ltd.	61	10,061	26,784	62,198	
	Darwin LNG Pty Ltd.	143,193	169,545	-	-	
	F&U Credit Information Co., Ltd.	849	1,660	13,872	26,638	
	SK Hynix Inc.	520,978	1,176,877	54,243	64,437	
	Best Oil Company Ltd.	306,437	735,590	3	3	
	Asia Bitumen Trading Pte. Ltd.	6,675	6,675	(15)	13,876	
	Huizhou EVE United Energy Co., Ltd.	25,469	44,436	357,992	837,257	
	Sotra Link Holdco AS	10,159	19,173	-	-	
	Daehan Kanggun BCN Co. Ltd.	7,637	15,438	-	-	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	32,981	52,270	-	-	
	Goseong Green Power Co., Ltd.	5,116	16,902	-	-	
	DCK One Co., Ltd.	23,657	37,256	-	-	
	SMCore. Inc.	2,396	2,953	20,044	31,451	
	Others	87,973	260,289	133,289	211,970	
	Other related parties (*1)	Peru LNG Company, LLC.(*2)	57,758	186,104	-	-
		Baic Electronics SK (Jiangsu) Technology	11,006	22,340	330,112	511,702
XINGLU (HONGKONG) LIMITED		80,184	128,237	-	-	
Happynarae Co., Ltd.		3,387	5,987	97,007	164,301	
SK hynix Semiconductor (China) Ltd.		48,103	112,576	316	538	
SK Hynix Semiconductor Hongkong		2	4	192,528	324,740	
Korea Nexlene Company		48,397	102,609	2	70	
Ulsan Aromatics Co., Ltd.		29,254	56,421	24,282	57,598	
SK Gas Co., Ltd.		97,465	142,632	62,820	208,832	
SK Chemicals Co., Ltd.		10,529	23,054	2,439	5,772	
UNA Engineering Co., Ltd.		212	353	22,367	33,989	
Ulsan GPS Corporation		188	2,820	-	-	
SK Bioscience Co., Ltd.		5,782	7,456	-	-	
SK Multi utility Co., Ltd.		752	1,541	5,158	14,377	
Others	23,856	44,551	27,972	66,481		
	₩ 1,898,181	₩ 3,958,258	₩ 1,874,868	₩ 3,603,056		

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

(*2) As the entire stake is sold during the period ended June 30, 2024, it is not applicable to related parties as of June 30, 2024.

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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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Company name	June 30, 2024		
		Receivables and others (*1)	Payables and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 103	₩ 2,266	
	SABIC SK Nexlene Company Pte. Ltd.	1,528	8,033	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	247	8,498	
	ChangZhou BTR New Material Technology CO.,LTD.	3,886	7,910	
	Yemen LNG Company Ltd.	95,963	-	
	Ignis Therapeutics	1,801	10,454	
	Eurasia Tunnel	34,219	-	
	SK E&C JURONG Investment Singapore Pte., Ltd.	74,375	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	107,844	-	
	YONGIN General Industrial Complex Co.,Ltd	1,177	36,076	
	Bloom SK Fuel Cell, LLC	6,319	16,955	
	Godeok Clean Energy Co., Ltd.	11,392	914	
	Chuncheon Green Energy Inc.	1,254	-	
	Boryeong LNG Terminal Co., Ltd	10	-	
	Darwin LNG Pty Ltd.	89,037	-	
	F&U Credit Information Co., Ltd.	66	5,045	
	SK Hynix Inc.	615,842	330,521	
	Best Oil Company Ltd.	117,349	7,888	
	Asia Bitumen Trading Pte. Ltd.	9,591	-	
	Huizhou EVE United Energy Co., Ltd.	44,521	119,258	
	Daehan Kanggun BCN Co. Ltd.	24,968	-	
	Haman Green Energy Co., Ltd.	4	34,735	
	Goseong Green Power Co., Ltd.	62,026	1,458	
	Songsan Green Energy Co.,Ltd.	-	34,795	
	DCK One Co., Ltd.	99	5,531	
	BLOOMENERGY CORPORATION	245	511,671	
	SMCore. Inc.	53	3,192	
	HCS001, LLC	498,904	-	
	HCM001, LLC	74,168	-	
	Others	105,901	65,930	
	Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	9,075	45,429
		XINGLU (HONGKONG) LIMITED	14,157	-
		Happynarae Co., Ltd.	1,936	22,241
SK hynix Semiconductor (China) Ltd.		31,273	244	
SK hynix Semiconductor Hong Kong Ltd.		-	36,189	
Korea Nexlene Company		3,736	308	
Ulsan Aromatics Co., Ltd.		5,069	7,602	
SK Gas Co., Ltd.		43,257	113,075	
SK Chemicals Co., Ltd.		6,468	1,585	
SK Shieldus Co., Ltd.		37,048	41,866	
UNA Engineering Co., Ltd.		105	6,877	
Ulsan GPS Corporation		34,432	981	
SK Bioscience Co., Ltd.		9,119	17,411	
SK Multi utility Co., Ltd.		144	1,325	
SK Eternix Co., Ltd.		91,999	-	
Others		30,910	18,894	
		₩ 2,301,620	₩ 1,525,157	

(*1) The Group recognized bad debt expense amounting to ₩1,677 million for the six-month periods ended June 30, 2024 (for the six-month periods ended June 30, 2023: bad debt expense of ₩971 million). The Group recognized the allowance for doubtful accounts amounting to ₩173,896 million and ₩172,219 million as of June 30, 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	-
	SK E&C JURONG Investment Singapore Pte., Ltd.	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
Others	95,916	31,737	
Other related Parties (*2)	Peru LNG Company, LLC.(*3)	7,841	-
	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	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 Hong Kong Ltd.	-	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*.

(*3) As the entire stake is sold during the period ended June 30, 2024, it is not applicable to related parties as of June 30, 2024.

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33. Transactions with related parties (cont'd)

(4) Details of significant financial transactions with related-parties for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions and foreign currencies in thousands):

Company	Currency	For the six-month period ended			
		June 30, 2024		June 30, 2023	
		Loans	Collection	Loans	Collection
Yemen LNG Company Ltd.	KRW	3,323	-	9,475	-
Bloom SK Fuel Cell, LLC	KRW	-	-	2,000	-
Gray Whale Offshore Wind Power No.1 Co., Ltd.	KRW	-	-	1,270	-
Gray Whale Offshore Wind Power No.2 Co., Ltd.	KRW	-	-	1,168	-
Gray Whale Offshore Wind Power No.3 Co., Ltd.	KRW	-	-	2,559	-
Komundo Offshore Wind Power Co., Ltd.	KRW	-	-	900	-
Maenggoldo Offshore Wind Power Co., Ltd.	KRW	-	-	1,050	-
KCMT Co., Ltd.	KRW	3,825	-	4,212	-
Haman Green Energy Co., Ltd.	KRW	-	(2,921)	-	-
HCM001, LLC	KRW	68,640	-	-	-
Samam Solar Co., Ltd.	KRW	341	(7)	-	-
Darwin LNG Pty Ltd.	KRW	22,899	-	-	-
SK Telecom CS T1 Co., Ltd.	KRW	2,921	-	-	-
SK Growth Opportunities Corporation	USD	900	-	-	-

(5) There were additional capital contribution transactions for investments in associates and joint ventures for the six-month periods ended June 30, 2024 and 2023 (See Notes 9, 10).

(6) Guarantees provided among the Group entities as of June 30, 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	2,579,600	Guarantee of debt
	SK Battery America, Inc.	USD	726,800	Guarantee of debt
	SK On Hungary Kft.	USD	220,000	Guarantee of debt
	BlueOval SK, LLC	USD	125,000	Guarantee of debt
		USD	2,032,000	Performance guarantees for invest
	SK Battery Manufacturing Kft.	USD	500,000	Guarantee of debt
		HUF	34,194,000	Guarantee of local factory construction
SK Innovation Co., Ltd. and SK On Co., Ltd.	SK Earthon Co., Ltd.	USD	33,000	Guarantee of mandatory work load
	SK On Hungary Kft.	HUF	9,809,730	Guarantee of local factory construction
SK On Co., Ltd.	SK Battery America, Inc.	USD	3,626,800	Guarantee of loan related
	SK On Hungary Kft.	USD	2,865,000	Guarantee of loan related
	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 On(Jiangsu) Co., Ltd.	CNY	1,159,987	Guarantee of loan related
SK ie technology Co., Ltd.	SK Hi-Tech Battery Materials(Jiang Su) Co., Ltd	CNY	480,000	Guarantee of debt
	SK hi-tech battery materials Poland sp. z o.o.	USD	696,000	Guarantee of debt
	SK Energy Europe, Ltd.	USD	135,000	Guarantee of PCG
SK Geo Centric Co., Ltd.	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 E&S Co., Ltd.	LNG Americas, Inc.	USD	190,000	Guarantee for derivative hedge and Others
	Paju Energy Service Co., Ltd.	KRW	350,000	Guarantee of debt
	Narae Energy Service Co., Ltd.	KRW	250,000	Guarantee of debt
	Yeoju Energy Service Co., Ltd.	KRW	200,000	Guarantee of debt
	Prism Energy International Pte. Ltd.	CNY	520,000	Guarantee for derivative hedge and Others
	Prism Energy International Zhoushan Limited	CNY	13,470	Terminal fees
	IGE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.,	USD	329,737	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.	USD	60,000	Guarantee of LC
	Grid Solution LLC	USD	60,000	Guarantee of LC
SK E&S Americas, Inc.	LNG Americas, Inc.	USD	59,342	Performance guarantee for contract and others
	PassKey, Inc.	USD	52,313	Performance guarantee for contract

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33. Transactions with related parties (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee
SK Ecoplant Co., Ltd	Silvertown Investco Limited	GBP	10,671	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	23,267	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	309,386	Joint liability joint debt
	SEONGJU TECH CO.,LTD.	KRW	13,000	Conditional debt acquisition
	RenewUs Co., Ltd.(Formerly, Environment Management Corporation Co., Ltd)	KRW	4,920	Guarantee of debt
	Renew Liquid Honam Co., Ltd.(Formerly, Honam Environment Energy Co., Ltd.)	KRW	8,200	Guarantee of loan agreement
	Gyeongsan Clean Water Way Co., Ltd.	KRW	8,200	Guarantee of loan agreement
Topsun Co., Ltd.	Solar Ocean Co., Ltd	KRW	31	Seoul Guarantee Insurance joint surety
	TS Energy 2-Ho Co., Ltd.	KRW	19	Seoul Guarantee Insurance joint surety
SK Networks Co., Ltd.	SK Networks Hong Kong Ltd.	USD	79,600	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
SK ENPULSE Co., Ltd	Absolics Inc.	USD	162,000	Guarantee of payment
	SKC(Nantong) Semiconductor Materials Technology Co., Ltd.	CNY	120,000	Guarantee of payment
	SKC Semiconductor (Wuxi) Co., Ltd.	USD	1,800	Guarantee of payment
SK Specialty Co., Ltd.		CNY	127,100	Guarantee of payment
	SK specialty Jiangsu Co., Ltd.	CNY	118,800	Guarantee of debt
	SK specialty Taiwan Co., Ltd.	USD	2,000	Guarantee of debt
	SK specialty Japan Co., Ltd.	JPY	276,000	Guarantee of debt
	SK specialty (Xi'An) Co., Ltd.	USD	2,400	Guarantee of debt
SK Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	58,000	Guarantee of debt
	SK Siltron USA, Inc.	USD	195,000	Guarantee of debt
SK Pharmteco Inc.	Center For Breakthrough Medicines Holdings, LLC	USD	20,000	Performance guarantee for contract
SK Biotek Co., Ltd.		USD	20,000	Guarantee for credit limit
	SK Biotek Ireland Limited	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 and six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	June 30, 2024		June 30, 2023	
	Three-month	Six-month	Three-month	Six-month
Salaries	₩ 2,542	₩ 5,169	₩ 4,548	₩ 8,840
Retirement allowance	626	1,483	1,154	2,236
Share-based payment expenses	(1,448)	(343)	(5,348)	(7,377)
	₩ 1,720	₩ 6,309	₩ 354	₩ 3,699

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 and China business to clean up non-core businesses, strengthen its financial soundness and secure investment funds, before the prior period. For resource business, as the sale of major assets and liabilities was completed during the the period ended June 30, 2024 and due to changes in the sale plan the remaining assets was changed, the relevant non-current assets and liabilities held for sale were reclassified to their original account.

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 and to discontinue operations along with the replacement of the rental car division during the the period ended June 30, 2024.

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. The sale was completed on February 2, 2024. Accordingly, the related profits and losses were classified as gains and losses from the discontinued operation.

SKC Co., Ltd., a subsidiary of the Group, decided to sell 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 sale was completed on February 29, 2024. Accordingly, the related profits and losses were classified as gains and losses from the discontinued operation.

SKC Co., Ltd., a subsidiary of the Group, decided to sell all of the shares in SKC (Nantong) PU SPECIALTY CO., LTD. to Daejinhap Automotive Parts Limited. The sale was completed on January 31, 2024. Accordingly, the related profits and losses were classified 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.

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34. Discontinued operations (cont'd)

(2) Gains and losses from the discontinued operation for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024		
	Resource business and others in SK Networks Co., Ltd.	Fine Ceramic Business and others in SKC Co., Ltd.	Total
Revenue	₩ 868,033	₩ 140,916	₩ 1,008,949
Expenses	848,993	146,300	995,293
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	(2,166)	132,706	130,540
Income tax expense (benefit)	5,379	28,186	33,565
Profit for the period from discontinued operations	₩ 11,495	₩ 99,136	₩ 110,631
Attributable to:			
Owners of the parent	₩ 5,514	₩ 44,861	₩ 50,375
Non-controlling interests	5,981	54,275	60,256

	For the six-month period ended June 30, 2023			
	Resource business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Security business in Korea Security Holdings Co., Ltd.	Total
Revenue	₩ 995,141	₩ 380,991	₩ 887,892	₩ 2,264,024
Expenses	977,927	378,063	845,828	2,201,818
Recognized gains (losses) as a measure or disposition of assets or dispositional asset classes included in discontinued operations at net fair value	3,993	(1,851)	-	2,142
Income tax expense (benefit)	5,697	4,597	(30,885)	(20,591)
Profit (loss) for the period from discontinued operations	₩ 15,510	₩ (3,520)	₩ 72,949	₩ 84,939
Attributable to:				
Owners of the parent	₩ 7,137	₩ (1,594)	₩ 22,304	₩ 27,847
Non-controlling interests	8,373	(1,926)	50,645	57,092

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34. Discontinued operations (cont'd)

(3) Details of cash flows relating to discontinued operations for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended June 30, 2024	
	Resource business and others in SK Networks Co., Ltd.	Fine Ceramic business and others in SKC Co., Ltd.
Cash flows from operating activities	₩ 114,879	₩ 5,411
Cash flows from investing activities	(110,105)	694,473
Cash flows from financing activities	85,648	(13,737)
Increase in cash and cash equivalents	₩ 90,422	₩ 686,147

	For the six-month period ended June 30, 2023		
	Resource business and others in SK Networks Co., Ltd.	Industry material business and others in SKC Co., Ltd.	Security business in Korea Security Holdings Co., Ltd.
Cash flows from operating activities	₩ (89,370)	₩ 19,083	₩ 101,548
Cash flows from investing activities	(10,535)	(14,418)	(148,741)
Cash flows from financing activities	106,456	(11,500)	(14,389)
Increase (decrease) in cash and cash equivalents	₩ 6,551	₩ (6,835)	₩ (61,582)

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 rental car business division during the period ended June 30, 2024, and the home appliance business division during the prior period. Accordingly, the related assets and liabilities were classified as held for sale and measured at the lower of their carrying amounts or 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, SKC-ENF Electronic Materials Ltd. and SKC Solics Hong Kong Ltd. related assets and liabilities were classified 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. The assets and liabilities were sold as of February 2, 2024.

SKC Co., Ltd., a subsidiary of the Group, decided to sell 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.

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

In addition, according to the decision of the board of directors on October 12, 2023, SKC Co., Ltd., a subsidiary of the Group, decided to sell all of the shares in SKC (Nantong) PU SPECIALTY CO., LTD. to Daejinhap Automotive Parts Limited and classified related assets and liabilities as held for sale. The assets and liabilities were sold as of January 31, 2024.

(2) Details of assets and liabilities held for sale as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

		June 30, 2024	
		Assets	Liabilities
Investment securities	ESR Cayman Limited (*1)	₩ 178,902	₩ -
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment Association	817	-
Business segment	China business segment	75,815	22,531
	Home appliances business segment	72,208	1,421
	Cartini business segment	1,820	820
	Rent car business segment	3,868,042	3,117,188
	Semiconductor materials business segment	124,282	86,985
Associates	SOCAR, Inc. (*2)	54,652	-
	DAEKYO Contents Investment Fund I	746	-
	Joyvio Group Co., Ltd.	170,520	-
		<u>₩ 4,552,083</u>	<u>₩ 3,228,945</u>

(*1) As of June 30, 2024, the book value includes ₩4,177 million in valuation gain on the investment securities.

(*2) As of June 30, 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 six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Provision for pension benefits	₩ 205,418	₩ 187,279
Depreciation	3,549,749	3,573,838
Amortization	940,221	856,759
Bad debt expenses(reversal of impairment loss)	32,727	(17,703)
Reversal of loss on valuation of inventories	(128,099)	(257,640)
Interest expenses	1,830,555	1,554,686
Loss on foreign currency translation	558,986	421,265
Loss on valuation of derivatives	350,567	128,732
Loss on disposal of trade receivables	45,356	58,795
Loss on disposal of property, plant and equipment	32,872	22,828
Loss on impairment of property, plant and equipment	36,128	15,051
Loss on disposal of intangible assets	2,372	1,576
Loss on impairment of intangible assets	48,381	23,384
Tax expense	736,710	(54,175)
Share of profit of equity-accounted investees, net	(1,116,245)	1,191,714
Interest income	(487,249)	(407,726)
Gain on foreign currency translation	(442,986)	(409,171)
Gain on valuation of derivatives	(323,633)	(234,276)
Dividend income	(39,081)	(50,835)
Gain on disposal of investments in associates and joint ventures	(230,009)	(17,959)
Gain on disposal of property, plant and equipment	(49,362)	(552,551)
Gain on disposal of intangible assets	(12,077)	(800)
Gain on disposal of assets held for sale	(141,393)	-
Others	170,513	528,236
	₩ 5,570,421	₩ 6,561,307

(2) Details of working capital adjustments for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Inventories	₩ 994,405	₩ 1,005,372
Trade receivables	890,308	1,792,387
Other receivables	524,189	899,117
Trade payables	47,148	(754,728)
Other payables	(2,494,464)	(759,752)
Advances received	(23,723)	(238,488)
Retirement benefits	(296,820)	(268,484)
Plan assets	314,286	222,672
Others	(159,866)	(922,751)
	₩ (204,537)	₩ 975,345

(3) Significant non-cash transactions for the six-month periods ended June 30, 2024 and 2023 are as follows (Korean won in millions):

	For the six-month period ended	
	June 30, 2024	June 30, 2023
Decrease in other payables due to acquisition of property, plant and equipment and others	₩ (1,248,503)	₩ (666,146)

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37. Commitments and contingencies

(1) Guarantees provided for the Group as of June 30, 2024 are as follows (Korean won in millions and foreign currencies in thousands):

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Seoul Guarantee Insurance	KRW	9,047	Performance guarantees for contract and others
	Korea Software Financial Corporation	KRW	590,238	Performance guarantees for contract and others
Netruck Co., Ltd	Seoul Guarantee Insurance and others	KRW	4,054	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	KRW	500	Export letter of credit
		USD	32,860	Export letter of credit
Blueoval SK LLC	Ford Moter Company	USD	125,000	Incentive guarantee
SKBATTERYAMERICA ,INC.	Kookmin Bank	USD	500,000	Performance guarantees for contract and others
SK ON HUNGARYKFT.	ING BANK HUNGARY BRANCH	HUF	72,800,000	Investment in Iváncsa incentive guarantee
		EUR	1,200	Investment performance guarantees following the receipt of investment incentive
SK On Co., Ltd.	KEB Hana Bank and others	USD	972,563	Bond principal and interest guarantee
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	730	Performance guarantees for contract
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	27,416	Guarantee of warranties-contract
	Korea Content Financial Cooperative	KRW	93,000	Guarantee of warranties-contract
SK M & Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,294	Guarantee of bid payment and others
	Shinhan Bank	KRW	1,000	Guarantee of Korean won
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	601	Performance guarantees
Service Ace Co., Ltd.	Seoul Guarantee Insurance	KRW	1	Guarantee of bid payment
SK O&S Co., Ltd.	Seoul Guarantee Insurance	KRW	50,000	Performance guarantees
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	4,933	Specific debt guarantee
SK Stoa Co., Ltd.	Kookmin Bank	KRW	1,280	Performance guarantees and others
Dreamus company Co., Ltd.	Seoul Guarantee Insurance	KRW	1,121	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	38	Performance guarantees for contract
YLP inc.	Seoul Guarantee Insurance	KRW	1,450	Deposit guarantees and others
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	5,100	Deposit guarantees and others
One store Co., Ltd.	Seoul Guarantee Insurance	KRW	856	Guarantee for E-commerce and others
	KEB Hana Bank	KRW	100	Guarantees for prepayment method and payment of Korean won
11street Co., Ltd.	Seoul Guarantee Insurance	KRW	27,087	Guarantee of deposit on lease and others
	KEB Hana Bank	KRW	2,000	Performance guarantees and others
FSK L&S Co., Ltd.	Seoul Guarantee Insurance	KRW	1,540	Performance guarantees for contract and others
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	10,096	Performance guarantees and others
	KEB Hana Bank	KRW	3,000	Performance guarantees and others
SK Networks Co., Ltd.	Seoul Guarantee Insurance	KRW	7,676	Performance guarantees for contract and others
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	9,123	Performance guarantees for sales contract
	KEB Hana Bank	KRW	500	Performance guarantees for contract
SK Magic Co., Ltd.	Seoul Guarantee Insurance	KRW	16,322	Performance insurances for warranties and others
SK Rent-a-Car Co., Ltd.	Seoul Guarantee Insurance	KRW	12,526	Performance guarantees for contract
EN-CORE CO., LTD.	Seoul Guarantee Insurance and Korea Software Financial Corporation	KRW	1,188	Performance guarantees for contract
SK E&S Co., Ltd.	Seoul Guarantee Insurance	KRW	118,814	Performance guarantees for contract and others
	Kookmin Bank	USD	80,000	Guarantee of debt
	Shinhan Bank	KRW	45,786	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	2,766	Guarantee of warranties and approval

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37. Commitments and contingencies (cont'd)

Guarantee	Guarantor	Currency	Amount	Description of guarantee
Chonnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	158	Performance insurances for warranties and gas bill guarantee
Busan City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	6,478	Guarantee of seizure contract and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	2,470	Performance guarantees and Performance guarantees for approval
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	777	Performance guarantees for contract and warranties
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,172	Performance insurances for warranties and others
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,840	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	2,846	Guarantee of license to use state property and others
Yeoju Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	118	Performance guarantees for deposit on approval and others
Dangjin Haengbok Solar Co., Ltd.	Seoul Guarantee Insurance	KRW	8,904	Guarantee of payment of facility restoration and relocation work expenses
Busan Jungkwan Energy Co., Ltd.	Seoul Guarantee Insurance	KRW	89,135	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.,	ANZ Bank	USD	329,737	BU gas field recovery cost
BU13 Australia Pty. Ltd.,				
SK E&S Australia Pty. Ltd.	ANZ Bank	USD	219	Deposit on lease
SK Ecoplant Co., Ltd.	ANZ and others	USD	321,190	Performance guarantees for overseas construction and others
		VND	569,459,658	Performance guarantees for overseas construction and others
		TRY	26,816	Performance guarantees for overseas construction and others
		KWD	51,072	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	37,621	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
	Korea Housing Guarantee Co., Ltd.	KRW	6,514,698	Housing guarantees and others
	Seoul Guarantee Insurance	KRW	340,398	Performance guarantees for domestic construction and others
	Engineering Financial Cooperative	KRW	845,739	Domestic construction contract
	Construction Guarantee Cooperative	KRW	7,368,383	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	1,235	PBOND
		KRW	512,531	PBOND and APBOND
	Busan Bank	KRW	5,500	Guarantee of Korean won and others
		USD	851	PBOND
	Korea Development Bank	KRW	3,000	Guarantee of Korean won
		KRW	346,819	Guarantee of payment and others
	Seoul Guarantee Insurance	KRW	3,649	Guarantee of payment and others
		USD	21,136	Guarantee of payment and others
	Song Mu-seok	USD	840	Borrowing and guarantee
		EUR	1,990	insurance-related joint guarantee
	Korea Eximbank	EUR	1,990	Borrowing and guarantee
		USD	8,413	insurance-related joint 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	KRW	65,529	Advance payment guarantee
		KRW	3,742	Warrenties
	KEB Hana Bank	KRW	92,705	Guarantee of Korean won
USD		22,697	PBOND	
Korea Trade Insurance Corporation	USD	18,325	Guarantees for overseas sales	
	KRW	549,344	Payment Guarantee, Performance guarantees for construction	
SK Ecoengineering Co., Ltd.	Construction Guarantee Cooperative	EUR	3,801	Guarantee of foreign currencies
		USD	7,879	Guarantee of foreign currencies
Kookmin Bank	Seoul Guarantee Insurance	KRW	5,261	Performance guarantees for construction
		KRW	283,694	Performance guarantee
Woori Bank	Construction Guarantee Cooperative	USD	13,500	Guarantee of foreign currencies
		KRW	86,338	Performance guarantees for business, construction, warranties and others
Renewus Co., Ltd. (formerly, Environment Management Corporation Co., Ltd.)	Seoul Guarantee Insurance	KRW	107,024	Performance guarantees for contract, payment, construction, advance payment and others
		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	67,266	Bid Contract Defect Payment Guarantee
		KRW	8,650	Guarantee of debt
Koea credit guarantee fund	Electric contractors' financial cooperative	KRW	29,014	Bid Contract Defect Payment Guarantee
		KRW	1,592	Performance guarantees for contract and others
Renewenergy Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	1,285	Performance guarantees for contract and others
Renewcon Daewon Co., Ltd.	Seoul Guarantee Insurance	KRW	17,000	Performance guarantees for contract and others
Renewenergy Saehan Co., Ltd.	Seoul Guarantee Insurance	KRW	1,340	Performance guarantees for contract and others
Renewenergy Jeonnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,426	Performance guarantees for contract and others
Renewenergy Green Co., Ltd.	Seoul Guarantee Insurance	KRW	1,008	Performance guarantees for contract and others
Renewenergy Chungnam Co., Ltd.	Seoul Guarantee Insurance	KRW	1,008	Performance guarantees for contract and others
Renewenergy Chungbuk Co., Ltd.	Seoul Guarantee Insurance	KRW	4,052	Commodity payment guarantee insurance and others
Renewland Cheongju Co., Ltd.	Seoul Guarantee Insurance	KRW	9,977	Performance guarantees for contract and others
DY INDUS CO.,LTD.	Seoul Guarantee Insurance	KRW	1,058	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	18,769	Performance guarantees for contract, payment, warranties and deposits
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW	175	Performance guarantees for sales contract
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 June 30, 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	2,032,000	Performance guarantees for contract
SK Geo Centric Co., Ltd.	SABIC SK Nexlene Company Pte. Ltd.	USD	180,000	RCF and others
SK Incheon Petrochem Co., Ltd	HSBC and others	USD	189,000	Import letter of credit and others
Iberian Lube Base Oils S.A.	Puertos del Estado and others	EUR	1,127	Guarantee for installing facilities
Netruck Co., Ltd.	Korea Electric Power Corporation and others	KRW	28	Electricity Bill Payment Guarantee and others
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	261	Performance guarantees for insurance and others
SK Communications Co., Ltd.	Kakaopay Corp.	KRW	10	Usage Contract
	KSNET Inc	KRW	6	Electronic payment agency service contract
	Purchaser or right holder of electronic payment method	KRW	300	Protection of user funds from electronic financiers
Dreamus Company Co., Ltd.	Youngkwang Precision Industry Co., Ltd. and others	KRW	31	Performance guarantees for contract
			7	
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	6,474	LTSA Additional guarantee
	SE Greenenergy Co., Ltd.	KRW	12,000	LTSA Additional guarantee
	Paju EcoEnergy Co., Ltd.	KRW	11,989	LTSA Additional guarantee
	Korea East-West Power Co., Ltd.	KRW	71,482	LTSA Additional guarantee
	Korea Midland Power Co., Ltd.	KRW	7,106	LTSA Additional guarantee
	Korea Western Power Co., Ltd.	KRW	84,239	LTSA Additional guarantee
	KPE Green Energy Co.,Ltd.	KRW	12,000	LTSA Additional guarantee
	Gangneung Sacheon Fuel Cell Co., Ltd.	KRW	16,000	LTSA Additional guarantee
	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	502,536	Housing guarantee
	Asia Trust Co., Ltd.	KRW	435,362	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	5,030	Joint Subcontracting Joint Liability
	Samsung C&T Corporation	KRW	1,447	Joint Subcontracting Joint Liability
	Samco Construction Co., Ltd.	KRW	1,376	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	105,791	Performance guarantee
	HCS001, LLC	USD	171,997	Performance guarantee
	QH Oil Investments LLC	USD	31,576	Guarantee of warranties
	Gowoon Construction Co., Ltd.	KRW	188,169	Housing guarantee

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37. Commitments and contingencies (cont'd)

Guarantor	Guarantee	Currency	Amount	Description of guarantee
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 ji 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	15	Seoul Guarantee Insurance Joint Guarantee
	TS ENERGY NO.2 CO.,LTD	KRW	19	Seoul Guarantee Insurance Joint Guarantee
	Solar Ocean Co., Ltd	KRW	31	Seoul Guarantee Insurance Joint 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	2,714	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	
ASAN SONGAK WATER ROAD CO.,LTD.	KRW	1,603	Performance guarantees for contract	

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37. Commitments and contingencies (cont'd)

(3) PF contingencies

1) PF Summary table

As of June 30, 2024 and December 31, 2023, the consolidated entity provides credit enhancement of ₩1,341,993 million (₩984,665 million as of December 31, 2023) up to the limitation of a loan balance of ₩1,676,082 million (₩1,243,538 million as of December 31, 2023) in relation to PF, of which ₩1,112,189 million (₩783,889 million as of December 31, 2023) is for the consolidated entity alone and ₩229,804 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 ₩213,400 million, based on the loan balance (₩170,350 million as of December 31, 2023), with a guarantee limit for related parties of ₩232,080 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 June 30, 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		1,049,500	1,017,800	858,300	-	-	-
	Total		1,282,300	1,250,600	1,072,300	120,000	94,000	-
Sole Business Total			₩ 1,330,167	₩ 1,298,467	₩ 1,112,189	₩ 120,000	₩ 94,000	₩ -
Maintenance Business	Main PF	Entire Group	₩ 231,199	₩ 170,589	₩ 133,399	₩ -	₩ -	₩ -
			228,986	168,376	131,555	-	-	-
	Total	Entire Group	231,199	170,589	133,399	-	-	-
Other Business	Bridge Loan	Entire Group	27,089	27,089	27,089	-	27,089	-
			4,849	4,849	4,849	-	4,849	-
	Main PF	Entire Group	224,160	224,160	186,800	-	-	-
			116,929	116,929	98,249	-	-	-
	Total	Entire Group	251,249	251,249	213,889	-	27,089	-
Consortium Total			482,448	421,838	347,288	-	27,089	-
			345,915	285,305	229,804	-	4,849	-
Grand Total	Entire Group		1,812,615	1,720,305	1,459,477	120,000	121,089	-
	Group		₩ 1,676,082	₩ 1,583,772	₩ 1,341,993	₩ 120,000	₩ 98,849	₩ -

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		1,049,500	1,017,800	528,300	-	330,000	550,000
	Total		1,282,300	1,250,600	528,300	-	330,000	744,000
Sole Business Total			₩ 1,330,167	₩ 1,298,467	₩ 528,300	₩ 19,000	₩ 350,889	₩ 783,889
Maintenance Business	Main PF	Entire Group	₩ 231,199	₩ 170,589	₩ 4,311	₩ 120,468	₩ 8,620	₩ 132,270
			228,986	168,376	4,311	118,624	8,620	130,426
	Total	Entire Group	231,199	170,589	4,311	120,468	8,620	132,270
Other Business	Bridge Loan	Entire Group	27,089	27,089	-	-	-	-
			4,849	4,849	-	-	-	-
	Main PF	Entire Group	224,160	224,160	186,800	-	-	201,000
			116,929	116,929	93,400	-	-	70,350
	Total	Entire Group	251,249	251,249	186,800	-	-	201,000
			116,929	116,929	93,400	-	-	70,350
Consortium Total			482,448	421,838	191,111	120,468	8,620	333,270
			345,915	285,305	97,711	118,624	8,620	200,776
Grand Total	Entire Group		1,812,615	1,720,305	719,411	139,468	359,509	1,117,159
	Group		₩ 1,676,082	₩ 1,583,772	₩ 626,011	₩ 137,624	₩ 359,509	₩ 984,665

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37. Commitments and contingencies (cont'd)

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

As of June 30, 2024 and December 31, 2023, 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 ₩1,341,993 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	-
	Gyeonggi-do	Distribution center	Main PF	Cash deficiency support and completion	340,000	100%	308,300	-
Sole business Total					₩ 1,330,167		₩ 1,298,467	
Maintenance business	Ulsan	Apartment	Main PF	Joint guarantee	₩ -	100%	₩ -	-
	Gwangju	Apartment	Main PF	Joint guarantee	5,173	100%	5,173	-
	Daejeon	Apartment	Main PF	Joint guarantee	-	100%	-	-
	Seoul	Apartment	Main PF	Joint guarantee	17,520	100%	15,280	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	3,161	30%	948	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	10,344	100%	10,344	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	195,000	100%	136,630	-
	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	224,160	35%	112,080	Y
Other business	USA	Power generation facilities	Bridge Loan	Cash deficiency support	27,090	18%	4,850	-
Consortium total					₩ 482,448		₩ 285,305	
Grand Total					₩ 1,812,615		₩ 1,583,772	

(*) 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			Maturity	Type	Responsibility for completion amount
					Current Term	Prior Term	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
	Gyeonggi-do	distribution center	Main PF	Cash deficiency support and completion	308,300	-	'21.12 ~ '25.12	'25.12	Loan	340,000
Sole business total					₩ 1,112,189	₩ 783,889				₩ 670,000

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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	'20.06 ~ '24.05	'24.05	Loan	₩ -
	Gwangju	Apartment	Main PF	Joint guarantee	4,311	4,311	'20.07 ~ '25.08	'25.08	Loan	-
	Daejeon	Apartment	Main PF	Joint guarantee	-	4,845	'22.09 ~ '24.05	'24.05	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, ABS, ABCP	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	105,100	94,900	'24.04 ~ '26.12	'24.04	Loan, ABS, ABCP	-
Other business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency Support and completion	93,400	70,350	'22.10 ~ '25.08	'25.08	Loan	141,950
	USA	Power generation facilities	Bridge Loan	Cash deficiency	4,849	-	'24.06 ~ '24.12	'24.12	ABL	-
Consortium total					₩ 229,804	₩ 200,776				₩ 141,950
Grand Total					₩ 1,341,993	₩ 984,665				₩ 811,950

3) Real Estate PF liability agreement

As of June 30, 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):

	June 30, 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	20	₩ 3,046,240	₩ 3,690,230	₩ 3,003,647	26	₩ 5,029,473	₩ 6,143,121	₩ 3,955,095
Other business(Group)	20	3,046,240	3,645,380	2,958,797	26	5,029,473	6,076,106	3,892,370
Total	20	₩ 3,046,240	₩ 3,690,230	₩ 3,003,647	26	₩ 5,029,473	₩ 6,143,121	₩ 3,955,095
Total(Group)	20	₩ 3,046,240	₩ 3,645,380	₩ 2,958,797	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 June 30, 2024 and December 31, 2023, the consolidated entity has entered into an agreement to guarantee ₩189,310 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 ₩758,032 million (₩724,375 million as of December 31, 2023) for the buyer's construction progress payment loans. (Korean won in millions):

	June 30, 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	₩ 230,009	10	₩ 471,280	₩ 411,643	₩ 203,031
Maintenance business(Group)	9	391,408	326,174	189,310	10	256,093	223,081	113,790
Other business	17	2,722,124	2,257,269	758,031	12	1,840,416	1,530,847	760,799
Other business(Group)	17	2,722,124	2,257,269	758,031	12	1,606,416	1,335,846	724,375
Total	26	<u>₩ 3,204,370</u>	<u>₩2,659,141</u>	<u>₩ 988,040</u>	22	<u>₩ 2,311,696</u>	<u>₩ 1,942,490</u>	<u>₩ 963,830</u>
Total(Group)	26	<u>₩ 3,113,532</u>	<u>₩2,583,443</u>	<u>₩ 947,341</u>	22	<u>₩ 1,862,509</u>	<u>₩ 1,558,927</u>	<u>₩ 838,165</u>

5) Real Estate PF's SOC guarantee loan

As of June 30, 2024 and December 31, 2023, the consolidated entity provides credit enhancement such as fulfillment and provision for the outstanding loan balance of ₩760,748 million (₩758,855 million as of December 31, 2023), up to a limit of the consolidated entity's share of ₩1,342,653 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):

	June 30, 2024				December 31, 2023			
	Number	Contract Amount (Total)	Agreed Amount (Group)	Loan Balance (Group)	Number	Contract Amount (Total)	Agreed Amount (Group)	Loan Balance (Group)
SOC	14	₩ 4,872,113	1,342,653	760,748	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 June 30, 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
11Street Co., Ltd	Individual and others	Claim for damages and others	KRW	439	First trial in progress and others
SK Planet Co., Ltd.	Korea gold exchange Co.,Ltd.	Claim for settlement	KRW	486	First trial in progress
Dreamus Company Co., Ltd.	Individual	Claim for infringement of neighbouring rights	KRW	212	First trial in progress
Tmap Mobility Co., Ltd.	ELUON CMS Corporation	Claim for license contract	KRW	543	Second trial in progress
SK Telecom Co., Ltd.	HSF and others	Claim for damages and others	KRW	120,319	Second trial in progress and others
SK Broadband Co., Ltd.	Republic of Korea and others	Claim for damages and others	KRW	7,975	First trial in progress and others
Service Ace Co., Ltd.	Individual	Claim for confirmation of unfair dismissal	KRW	156	First trial in progress
SK Networks Co., Ltd.	Durr Korea Inc. and others	Claim for payment of goods and others	KRW	2,216	First trial in progress and others
SK Networks Service Co., Ltd.	Doobis Co.,Ltd.	Claim for loan	KRW	1,200	First trial in progress
SK Magic Co. Ltd	Individual and others	Claim for damages and others	KRW	76	First trial in progress and others
SK Rent-a-Car Co., Ltd.	Individual and others	Claim for restitution of unjust enrichment and others	KRW	1,467	Second trial in progress and others
SK ENPULSE Co., Ltd.	POSCO Eco&Challenge Co., Ltd.	Claim for damage	KRW	4,000	Before First trial
ISC Co., Ltd.	HANWHA CORPORATION	Claim for payment of construction	KRW	7,402	Before First trial
SK Nexilis Co., Ltd.	Individual and others	Claim for damages and others	KRW	5,921	Second trial in progress and others
SK E&S Co., Ltd.	POSCO INTERNATIONAL CORPORATION	Claim for settlement	KRW	3,176	First trial in progress
Busan City Gas Co., Ltd.	HDC-labs Co., Ltd. and others	Claim for payment of construction	KRW	534	Second trial in progress
Narae energy service Co., Ltd.	Korea Electric Power Corporation	Claim for penalty	KRW	2,694	Second trial in progress
EverCharge, Inc., Mobility Solution I, Inc., Mobility Solution II, Inc., PassKey, Inc	Individual	Claim for damages	USD	3,300	First trial in progress
SK Ecoplant Co., Ltd.	WoryeongSKOceanView residents' representative meeting and others	Claim for damages and others	KRW	46,721	Second trial in progress and others
	K-Water Resources Corporation	Claim for restitution of design	KRW	3,004	Revocation and remand in progress
	Republic of Korea NSRP	Claim for damages	KRW	4,689	First trial in progress
		Claim for payment of construction	KRW	121,972	Arbitration in progress
	PNPC	Claim for payment of construction	KRW	451,490	Arbitration in progress
	Godeok Clean Energy Co., Ltd	Claim for damages	KRW	18,309	First trial in progress
Renewenergy Green Co., Ltd.	DAESANG CORPORATION and others	Claim for payment of Construction and others	KRW	250	Second trial in progress and others
RenewUs Co., Ltd. (Formerly, Environment Management Corporation Co., Ltd).	Siheung City and others	Claim for contribution and others	KRW	5,871	Second 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 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
SAM KANG S&C Co., Ltd.	GTS KOREA Co., Ltd. and others	Claim for payment of construction and others	KRW	1,091	Second trial in progress and others
SK Ecoengineering Co., Ltd.	ADAMIETZ	Claim for payment of construction	KRW	7,207	First 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
SK Signet Inc.	Individual and others	Claim for payment of goods and others	KRW	301	First trial in progress

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 June 30, 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 filed a civil lawsuit against SK Trading International Inc. and SK Energy Americas Inc., a subsidiary of Vitol Inc. and SK Innovation, in San Francisco against market price manipulation and anti-competitive unfair practices of gasoline products in the wake of the 2015 Refinery explosion. Since May 6, 2020, end-users of gasoline have filed a number of class-action lawsuits related to this case in federal court in California. Meanwhile, agreements between the plaintiff and the defendant in the civil and federal lawsuits were signed in May 2023 and June 2024, respectively. It was agreed at USD 50 million (SK Trading International Inc. and SK Energy Americas Inc. respectively) for civil lawsuits in state courts and USD 13.94 million (SK Energy Americas, Inc. respectively) for class lawsuits and USD 6.97 million for non-operating expenses in the prior period and the current half. Both cases are currently undergoing court approval and other procedures for closing, and the final closing time is currently unpredictable.

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 filed a lawsuit against its subsidiary SK Battery America, Inc. in Georgia District Court on July 31, 2023, regarding the fire at a recycling treatment facility. The value of the lawsuit is USD 26.6 million, and the duration and final outcome are currently unpredictable. Meanwhile, the local government of Banks County, Georgia filed a lawsuit against its subsidiary SK Battery America, Inc. on May 3, 2024, seeking damages for substantial government funding used to extinguish the fire, and the value of the lawsuit, duration and final outcome are currently unpredictable.

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.

37. Commitments and contingencies (cont'd)

SKC Co., Ltd., a subsidiary of the Group, guarantees 50% of claim amounts related to the patent litigation filed by Kaneka Corporation against PI Advanced Materials Co., Ltd. As of June 30, 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 8 million which is 50% of USD 16 million 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 June 30, 2024, it is not possible to predict the final outcome of the first trial and the timing of the damage compensation determination.

(5) Commitments

< SK Inc.>

- 1) In accordance with the Commercial Code of the Republic of Korea, the Group, SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd, SK Enmove Co., Ltd, SK Incheon Petrochem Co., Ltd., SK Trading International Co., Ltd., SK enterm Co., Ltd., SK ie technology Co., Ltd., SK On Co., Ltd, and SK Earthon Co., Ltd. are collectively responsible for any obligations of the Company arising before the spin-off. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations of the Company that occurred before the spin-off on April 1, 2011 and the Company and SK Specialty Co., Ltd. are collectively responsible for any obligations of SK Materials Co., Ltd. (formerly) that occurred before the spin-off on December 1, 2021.
- 2) The Group has signed a lease contract for the head office building from SK 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.

37. Commitments and contingencies (cont'd)

- 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.	

- 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:

	<u>Total return swap</u>
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 June 30, 2024, the value of the agreements amounting to ₩169,131 million is recognized in long-term borrowings.

37. Commitments and contingencies (cont'd)

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

	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 June 30, 2024, the value of the agreements amounting to ₩677,775 million is recognized in long-term borrowings.

- 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) 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.
- 12) 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 June 30, 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.

37. Commitments and contingencies (cont'd)

< SK Innovation Co., Ltd. and affiliates >

- 1) SK Energy Co., SK Incheon Petrochemical Co., SK ON Co., and SK Geo Centric Co., Ltd., SK Enmove 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 ₩3,911,487 million, all of which is classified as current liabilities.
- 2) 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)

- 3) SK Innovation Co., Ltd., a subsidiary, has signed a shareholders' agreement with investors related to shares newly issued through the paid-in capital increase of its subsidiary, SK ON Co., Ltd. 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 ₩487,006 million in derivative financial instrument liabilities as of June 30, 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.

- 4) 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 June 30, 2024 is USD 2,540 million, and the book value after offset is ₩0.

37. Commitments and contingencies (cont'd)

- 5) 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. 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.

- 6) 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 June 30, 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.
- 7) As of June 30, 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.

SK Inc. and its subsidiaries
Notes to the condensed consolidated interim financial statements
June 30, 2024 and 2023

37. Commitments and contingencies (cont'd)

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

	Type of debt	Currency	Committed Limit	Debt execution amount
Loan agreement	Long-term borrowings (*1)	KRW	2,000,000	1,236,543
Loan agreement	Long-term borrowings (*1,2)	KRW	977,500	468,053
Facility investment	Contract liabilities (*2,3,4)	KRW	692,900	230,200

- (*1) An obligation to redeem arises in the event of a change in control or similar circumstances at SK Innovation Co., Ltd.
(*2) In relation to the debt, SK On Co., Ltd., a subsidiary, has provided collateral to Kia Corporation and Hyundai Motor Company.
(*3) An obligation to redeem arises in the event of a breach of the agreed terms for facility investment.
(*4) As there are obligations to transfer goods to the customer, they have been recognized as a contract liabilities. As of June 30, 2024, the related contract liabilities are included in long-term advances received.

- 9) The capital contribution commitments of SK On Co., Ltd., a subsidiary, are as follows (Foreign currencies in thousands):

	Currency	Committed contribution amount	Cumulative contribution amount	Remaining commitment amount
MILLENNIUM NEW HORIZONS II, L.P.	USD	5,000	1,800	3,200
HSAGP Energy LLC	USD	1,227,387	920,540	306,847
Sakuu Corporation(*1)	USD	25,028	8,003	17,025

- (*1) If additional investment is not made by the agreed investment deadline, the right to appoint a director will be lost.

< SK Telecom Co., Ltd. and affiliates >

- 1) 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 ₩232,755 million and ₩291,747 million as of June 30, 2024 and December 31, 2023, which are recorded in receivables and long-term receivables.

37. Commitments and contingencies (cont'd)

- 2) 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 Finng 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.
- 3) 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 ₩20,825 million (₩21,027 million as of December 31, 2023) by discounting the cash flows expected to occur in the settlement contract using the present value method.
- 4) Regarding the merger and acquisition transaction of SK Broadband Co., Ltd. that occurred before the previous period, SK Telecom Co., Ltd. entered into an agreement between the existing shareholders of the merged company and the shareholders. 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 June 30, 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.

< SK Square Co., Ltd. and affiliates >

- 1) SK Square Co., Ltd., a subsidiary, was newly established for the purpose of managing and investing in investee companies related to semiconductors and new ICT among the businesses of SK Telecom Co., Ltd. prior to the spin-off, and pursuant to Article 530-9, 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.
- 2) 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.

37. Commitments and contingencies (cont'd)

- 3) 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 June 30, 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 June 30, 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.
- 4) 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 six-month period ended June 30, in accordance with the contract, a payment of ₩13,918 million was made to the seller. As of June 30, 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.
- 5) In connection with the capital increase of its subsidiary Tmap Mobility Co., Ltd., SK Square Co., Ltd. entered into a shareholders' agreement with the 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 June 30, 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.
- 6) Tmap Mobility Co., Ltd., a subsidiary, entered into a share pledge agreement with the seller in connection with the acquisition of common shares of Airport Limousine. In order to secure any future obligations under the Share Purchase Agreement and the Shareholders' Agreement with Tmap Mobility Co., Ltd., the seller has set up a first priority security interest in shares equal to 20% of the total issued shares of Airport Limousine Co., Ltd..
- 7) SK Square Co., Ltd., a subsidiary, is provided as collateral for 55,320,816 common shares of Korea Security Holdings Co., Ltd., owned by Soteria Bidco SCSp, for long-term other receivables of ₩450,000 million.

37. Commitments and contingencies (cont'd)

< SK Networks Co., Ltd. and affiliates >

- 1) SK Networks Co., Ltd., a subsidiary, is obligated to make additional contributions to the Future Innovation Fund No.3. As of June 30, 2024, SK Networks Co., Ltd. plans to make additional capital contributions in the amount of ₩1,750 million and USD 29,332 thousand through a capital call.
- 2) SK Networks Co., Ltd., a subsidiary, is subject to disposal restrictions under certain conditions regarding its subsidiaries POSK (Pinghu) Steel Processing Center Co., Ltd., SK MENA Investment B.V., SK Latin America Investment S.A., its associates SVA Venture Fund II, SK electlink Co., Ltd., Kindred HM1, and long-term investment securities such as Kurlly Inc., PortOne Holdings, Prostar Asia-Pacific Energy Infrastructure SK Fund L.P., Hashed Venture Fund II, and IPI Partners II Fund..
- 3) 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 its associates, SK Electlink Co., Ltd., Upstage Co., Ltd., and BMSMILE Co., Ltd.
- 4) 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.
- 5) SK Networks Co., Ltd., a subsidiary, holds a call option to purchase a portion of the equity in its affiliate Upstage Co., Ltd., BMSMILE CO., LTD. under certain conditions.

< SKC Co., Ltd. and affiliates >

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

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

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

37. Commitments and contingencies (cont'd)

- 2) 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.
- 3) When SKC Co., Ltd., a subsidiary, transferred its SiC wafer business to Paratus Investment Inc. (the "Buyer") in 2021, the Buyer granted SKC Co., Ltd. the right to require SKC Co., Ltd. to sell all of the outstanding shares of SPC (the company that operates the SiC wafer business) owned by the Buyer (a right that can be exercised if EBITDA does not meet certain conditions by 2025). In addition, SKC Co., Ltd. has the right to receive 40% of the excess sale proceeds from the buyer in the event of the buyer's sale of SPC shares to a third party, provided that the actual consideration received exceeds ₩75,000 million. As of June 30, 2024, SKC Co., Ltd. recognized derivative financial instrument assets of ₩9,870 million and derivative financial instrument liabilities of ₩8,314 million for these rights and obligations.

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

< SK E&S Co., Ltd. and affiliates >

1) As of June 30, 2024, details of contracts of the subsidiaries of SK E&S Co., Ltd. are as follows:

Contracting parties	Description of contract	Counterparty	Term of contract
Kangwon City Gas Co., Ltd. and 7 subsidiaries	Contract for the 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 International Co., Ltd.	2005.6 ~ 2026.02 2020.7 ~ 2026.02
	Contract for the storage and vaporization service of natural gas	Boryeong LNG Terminal Co., Ltd	20 years from 2017 20 years from 2021 20 years from 2023
	Rental contract of the plant and tower site	POSCO Co., Ltd.	2003.8 ~ 2028.12
	Contract for the REC trading	Godeok Green Energy Co., Ltd. and others	20 years from contract
	Contract for direct power transaction	SK Specialty Co., Ltd. and others	20 years from the time of supply
	Contract for power supply	Dangjin Haengbok Solar Co., Ltd. and others	20 years from the time of supply
Paju Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	2014.6 ~ 2031.6 (estimated)
	Contract for the REC trading	GeoGeum Solar Park Co., Ltd. and others	15 years from 2018
	Contract for LTSA	Doosan Fuelcell Co., Ltd.	10 years from performance warranty date
Narae Energy Service Co., Ltd.	Contract for the long-term maintenance program	Siemens AG and others	2015.1 ~ 2032.1 (estimated)
	Contract for the long-term maintenance program	Doosan Enerbility Co., Ltd.	2012.9 ~ 2030.9 (estimated)
	Contract for the operation and maintenance program	Jeonbuk Group Energy Co., Ltd. and Gimcheon Energy Service Co., Ltd.	2015.1 ~ 2025.1
	Contract for the long-term supply of natural gas	Korea Gas Corporation Co., Ltd.	20 years from 2015.5
	Contract for the REC trading	K Solar E Ho Co., Ltd. and others	20 years from contract
Narae Energy Service Co., Ltd. and Paju Energy Service Co., Ltd	Contract for the use of plumbing system	Korea Gas Corporation Co., Ltd.	20 years from 2017
	Contract for the storage and vaporization service of natural gas	Boryeong LNG Terminal Co., Ltd	20 years from 2017
Yeoju Energy Service Co., Ltd.	Contract for LTSA	Siemens Gas & Power GmbH Siemens Energy Ltd.	2019.12 ~ 2047.12 (estimated)
	Contract for the use of plumbing system	Korea Gas Corporation Co., Ltd.	2022.11 ~ 2042.10
	Contract for the use of manufacturing facilities	Korea Gas Corporation Co., Ltd.	2022.11 ~ 2042.10
LNG Americas, Inc.	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	2022.4 ~ 2033.3
	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.

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37. Commitments and contingencies (cont'd)

2) As of June 30, 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.

3) As of June 30, 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	₩ 13,439

4) As of June 30, 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 of a stake in Darwin LNG		
Prism DLNG Pte Ltd	Pty Ltd.		

5) 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.

6) 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 74.77% of the total amount of investment agreement.

7) 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.

8) SK E&S Co., Ltd., a subsidiary, has agreed to invest a total of ₩30 billion in the Truston ESG Renewable Energy General Private Investment Trust No. 2 for the development of the renewable energy business, and none of the total agreed investment amount has been paid as of June 30, 2024.

9) 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%.

< SK Ecoplant Co., Ltd. and affiliates >

1) 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 ₩249,989 million as of June 30, 2024.

2) 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.

37. Commitments and contingencies (cont'd)

- 3) 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.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) 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.
- 8) 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.
- 9) SK Ecoplant Co., Ltd., a subsidiary, has entered into a PRS (share price return swap) agreement with Main Stream 19th Co., Ltd. the buyer of Daehan 4 New Stay REIT Co., Ltd. stock sold for the June 30, 2024, to settle the difference according to the terms and conditions.

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37. Commitments and contingencies (cont'd)

< Others >

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

Contractor	Contract Year/month	Transferred technology	Region	Amount(*1)
Angelini Pharma S.p.A	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, Hong Kong, Macao	USD 186,000
	2024 / 04	7 New Drugs, including non-narcotic pain medication and others	Worldwide	USD 58,000
Endo Ventures Limited	2021 / 12	Cenobamate	Canada	USD 20,000
				CAD 21,000
DEXCEL LTD.	2022 / 05	Cenobamate	Israel, Palestine	USD 3,000
Eurofarma Laboratorios S.A	2022 / 07	Cenobamate	Latin America (*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 and others (*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.

- 2) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a Limited Partner in the LifeSci Venture Partners II Fund in the United States. As of June 30, 2024, investments in the fund amount to USD 9,362,718.20 (investments in money: USD 8,217,818.20, revenue distributions reinvested: USD 1,144,900), and the investment period agreed between the parties has ended, but additional investments can be made up to USD 1,363,636.35 for subsequent investments in existing investments.
- 3) Areca, Inc., Chamaedorea, Inc., and Tillandsia, Inc., subsidiaries, acquired shares in 8 Rivers Capital, LLC in prior period, 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

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37. Commitments and contingencies (cont'd)

(6) Hybrid bonds

Details of hybrid bonds as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

Issue segment	Description	Issuance date	Maturity date (*1)	Interest rate (%)	June 30, 2024	December 31, 2023
Group of SK Innovation Co., Ltd. (*2,3)	1st private equity bond type	2019.03.15	2049.03.15	4.20	₩ -	₩ 600,000
Group of SK Innovation Co., Ltd. (*2)	2nd public equity bond type	2023.10.19	2053.10.19	7.30	140,000	140,000
Group of SK Innovation Co., Ltd. (*2)	3rd private equity bond type	2024.03.07	2054.03.07	6.50	460,000	-
Group of SK Innovation Co., Ltd. (*2)	1st unsecured bonds with unsecured interest rights(private equity bond type)	2024.06.27	2054.06.27	6.42	500,000	-
Group of SK Telecom Co., Ltd. (*2)	3rd public equity bond type	2023.06.05	2083.06.05	4.95	400,000	400,000
Group of SK Ecoplant Co., Ltd.	1st bearer unguaranteed exchange bond	2023.09.22	2053.09.22	-	323,650	323,650
Group of SK E&S Co., Ltd. (*2)	2nd Korean currency type	2019.10.11	2049.10.11	3.30	330,000	330,000
Group of SK E&S Co., Ltd. (*2)	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 or an extension of maturity date after a certain period has elapsed.

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

(*3) SK Incheon Petrochemical Co., Ltd., a subsidiary, decided to exercise early redemption of the 1st private equity bond type hybrid bonds on January 16, 2024 and redeemed a total of ₩600,000 million on March 15, 2024.

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

As of June 30, 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	84	₩ -
Blank bill	28	-
Check	1	6,995
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 June 30, 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 Co., Ltd.	Collateral for pledging
ONEPOL 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	22,243	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	391,586	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	255,998	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	32,000	Shinhan Bank	Collateral for borrowing
ISC Co., Ltd.	Property, plant and equipment	KRW	12,679	Shinhan Bank-VN	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 picglobal Co., Ltd.	Property, plant and equipment	KRW	33,600	Korea Development Bank	Collateral for borrowing
SK E&S Co., Ltd.	Investments in subsidiaries	KRW	555,550	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	218,844	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	20,417	Kookmin Bank and others	Collateral for borrowing and others
	Investments in associates and others	KRW	1,225,222	Korea Development Bank and others	Collateral for borrowing
SEONGJU TECH Co., Ltd.	Property, plant and equipment and others	KRW	15,600	Suhyp Bank and others	Collateral for PF
Renewenergy Chungnam Co., Ltd.	Property, plant and equipment	KRW	3,000	Korea Development Bank	Collateral for borrowing
Renewone Co., Ltd.	Investment in associates and others	KRW	150,002	KEB Hana Bank and others	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
	Debt instrument	KRW	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	85,200	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	Korea Development Bank and others	Collateral for borrowing and others
	Investment securities	KRW	110,075	KEB Hana 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
Renewenergy Metro Co., Ltd.	Property, plant and equipment	KRW	40,537	Woori Bank	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	3,500,000	Korea Development Bank	Collateral for borrowing
		JPY	3,690,000	Korea Development Bank	Collateral for borrowing
		KRW	1,668	Yeongju city and Gyeongsang Buk-do	Government subsidy
	Financial 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 Incorporated	Property, plant and equipment	KRW	208,200	Shinhan Bank and others	Collateral for borrowing
SK Resonac Corporation	Property, plant and equipment	KRW	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd. (Formerly, SK Performance Materials Co., Ltd.)	Property, plant and equipment	KRW	10,627	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment and others	KRW	601,260	Korea Development Bank and others	Collateral for borrowing
		USD	60,500	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
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	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
	Debt instrument	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 and others	Collateral for borrowing
	Financial instrument	USD	24,000	The lender and the lessor	Collateral for borrowing
	Others	KRW	14,400	Kookmin Bank	Collateral for borrowing
Center For Breakthrough Medicines Holdings, LLC	Property, plant and equipment	USD	122,716	SK Pharmteco Inc.	Collateral for borrowing
	Others	USD	111,488	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 amortized cost, represents the maximum exposure to credit risk. The maximum exposure to credit risk as of June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>June 30, 2024</u>		<u>December 31, 2023</u>
Financial assets measured at FVTPL	₩ 9,765,079	₩	8,898,332
Financial assets measured at FVOCI	301,254		215,670
Financial assets measured at amortized cost	37,529,578		38,050,733
Financial assets designated as hedging instruments	588,075		408,547
	<u>₩ 48,183,986</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 ₩32,087 million as of June 30, 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 June 30, 2024 and December 31, 2023(Korean won in millions):

	June 30, 2024		December 31, 2023	
SK Innovation Co., Ltd.	₩	1,380	₩	1,548
SK Ecoplant Co., Ltd.		32,087		26,833
SK Biotek Co., Ltd.		180		180
	₩	33,647	₩	28,561

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 June 30, 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):

	June 30, 2024				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Borrowings	₩ 6,764,752	₩ 20,365,087	₩ 20,009,998	₩ 8,551,600	₩ 55,691,437
Bonds	1,843,690	8,121,381	26,267,869	4,798,043	41,030,983
Derivative financial liabilities	22,435	175,075	773,590	-	971,100
Trade payables	10,161,370	1,373,624	-	-	11,534,994
Lease liabilities	62,356	1,030,560	2,560,199	2,492,948	6,146,063
Other liabilities	9,346,489	3,264,331	1,095,987	277,773	13,984,580
Guarantee contracts	4,057,494	-	310,000	-	4,367,494
	₩ 32,258,586	₩ 34,330,058	₩ 51,017,643	₩ 16,120,364	₩ 133,726,651

	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 risk that the fair value of financial instruments will fluctuate because of changes in market prices. 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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions and foreign currencies in thousands):

	Currency	June 30, 2024		December 31, 2023	
		Korean won equivalent	Foreign currencies	Korean won equivalent	Foreign currencies
Assets	USD	₩ 13,484,589	9,706,730	₩ 13,652,918	10,588,582
	JPY	123,741	14,316,777	136,740	14,982,526
	CNY	156,437	821,496	405,872	2,244,373
	EUR	346,068	232,718	493,118	345,662
	Others	805,606		567,599	
Liabilities	USD	₩ 19,029,428	13,698,120	₩ 18,761,399	14,550,488
	JPY	84,549	9,782,206	110,461	12,103,149
	CNY	857,513	4,503,035	1,155,280	6,388,412
	EUR	389,229	261,742	516,635	362,147
	Others	1,000,828		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	June 30, 2024		December 31, 2023	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (408,100)	₩ 408,100	₩ (375,984)	₩ 375,984
JPY	2,885	(2,885)	1,934	(1,934)
CNY	(51,599)	51,599	(55,156)	55,156
EUR	(3,177)	3,177	(1,731)	1,731
Others	(14,368)	14,368	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).

SK Inc. and its subsidiaries
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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 158.8% as of June 30, 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 June 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	June 30, 2024	December 31, 2023
Total liabilities	₩ 131,904,282	₩ 129,091,214
Total equity	83,076,475	77,879,050
Debt ratio	158.8%	165.8%

40. Events after the reporting period

(1) Interim dividend

The Company resolved its interim dividend at its board of directors meeting dated July 30, 2024, and the main contents are as follows.

	Description
Dividends	₩1,500 per share (total amount : ₩82,627 million)
Market dividend rate	1.0% for ordinary stock, 1.2% for preferred stock
Dividend base date	August 14, 2024
Dividend payout date	One month from the date of resolution of the board of directors Based on Article 464-2 (1) of the Commercial Act

(2) The Merger of SK E&S Co., Ltd. by SK Innovation Co., Ltd.

The Company resolved to merge with SK Innovation Co., Ltd., its subsidiary, as the surviving company and SK E&S Co., Ltd. as the extinct company at its board of directors meeting on July 19, 2024, and the main contents are as follows.

	Description
Surviving company after merger	SK Innovation Co., Ltd.
Extinct company after merger	SK E&S Co., Ltd.
Merger date	November 1, 2024
Merger ratio	SK Innovation Co., Ltd. : SK E&S Co., Ltd. = 1 : 1.1917417

The Merger of SK E&S Co., Ltd. by SK Innovation Co., Ltd. will be finalized at the extraordinary general shareholders' meeting scheduled for August 27, 2024, and the merger may be canceled if more than two-thirds of the voting rights of the participating shareholders and more than one-third of the total number of issued shares are not obtained at the extraordinary general shareholders' meeting to approve the merger.

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

(3) SK S.E. Asia Pte. Ltd. investment in kind in SK Ecoplant Co., Ltd.

The Company resolved to contribute 100% (23,400,000 shares, amounting to ₩670,012 million) of SK S.E.Asia Pte. Ltd. common shares held by the Company to its subsidiary, SK Ecoplant Co., Ltd., in kind, and to allocate 9,131,092 common shares of SK Ecoplant Co., Ltd.(scheduled to be issued on November 1, 2024) to the Company as a third-party allotment increase at its board of directors meeting dated July 19, 2024.

(4) Share exchange with SK Materials Airplus Inc.

The Company resolved to conclude a comprehensive share exchange (to be exchanged on November 1, 2024) contract. Its to transfer all of the issued shares (6,800,000 shares) of SK Materials Airplus Inc. to SK Ecoplant Co., Ltd. and issue 11,076,167 common shares according to the share exchange ratio (1.6288482 common shares of SK Materials Airplus Inc.) to the Company, which is a shareholder of SK Materials Airplus Inc. at its board of directors meeting dated July 19, 2024.

(5) Paid-in Capital decrease of SK enpulse Co., Ltd.

SKC Co., Ltd., a subsidiary, resolved at the board meeting on July 26, 2024, to reduce 48,515,142 shares of the subsidiary SK enpulse Co., Ltd. at a price of ₩3,401 per share, and on August 12, 2024, the Board of Directors resolved to retire 4,900,016 treasury shares of SK enpulse Co., Ltd.

(6) The Merger of SKCFTH Co., Ltd. by SK Nexilis Co., Ltd.

The Company resolved to merge with SK Nexilis Co., Ltd., its subsidiary, as the surviving company and SKCFTH Co., Ltd. as the extinct company at its board of directors meeting dated August 13, 2024.

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

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

	Description
Dividends	₩830 per share (total amount : ₩176,696 million)
Market dividend rate	1.60%
Dividend base date	June 30, 2024
Dividend payout date	Payment is expected within August 14, 2024 based on Article 165-12 (3) of the Capital Markets and Financial Investment Business Act

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

(8) SK E&S Co., Ltd.'s Agreement to Change the Terms of Preferred Stock for Redemption Conversion

SK E&S Co., Ltd., a subsidiary, resolved at the board meeting on July 31, 2024, signed an agreement to change the conditions of redeemable convertible preferred shares after the end of the reporting period. The main contents are as follows.

	Description
Redemption convertible preferred stock Issued in 2021	<p>SK E&S Co., Ltd. issued redeemable convertible preferred stock on November 6, 2021, and entered into a condition change agreement in accordance with the 10th board resolution on July 31, 2024.</p> <p>[Change]</p> <p>1) Other matters concerning stocks (matters concerning dividends of profits)</p> <p>Regarding the resolution of interim dividend payment at the board of directors of the issuing company in fiscal year 2024, and the payment of interim dividend accordingly, participation can be made by applying the conversion family equity ratio to the dividends of ordinary shares</p> <p>2) Other matters to be referred to for investment judgment (Matters concerning redemption)</p> <p>Internal Return (IRR) 7.5% → Internal Return (IRR) 9.9%</p>
Redemption convertible preferred stock Issued in 2023	<p>SK E&S Co., Ltd. issued redeemable convertible preferred stock on January 11, 2023 and November 1, 2023, and entered into a condition change agreement in accordance with the 10th board resolution on July 31, 2024.</p> <p>[Change]</p> <p>1) Other matters to be referred to for investment judgment (Matters concerning redemption)</p> <p>Internal Return (IRR) 9.5% → Internal Return (IRR) 9.9%</p>

(9) SK E&S Co., Ltd.'s Interim dividend

SK E&S Co., Ltd., a subsidiary, made interim dividend payments of ₩36,636.36 per share, totaling ₩150 billion, for redeemable convertible preferred shares issued in 2021 on September 30, 2024 through a resolution of the board of directors on July 31, 2024.

(10) Issuance of bonds by SK Ecoplant Co., Ltd.

SK Ecoplant Co., Ltd., a subsidiary, issued ₩74,000 million of unsecured bonds with 181-1 unsecured interests, ₩63,000 million of unsecured bonds with 181-2 unsecured interests, and ₩123,000 million of unsecured bonds with 181-3 unsecured interests.

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

(11) The Merger of SK Trading International Co., Ltd. by SK On Co., Ltd.

SK On Co., Ltd., a subsidiary, decided to merge with SK Trading International Co., Ltd., a subsidiary of the group, at a board meeting held on July 17, 2024 to strengthen competitiveness and lay the foundation for sustainable growth by enhancing the purchasing efficiency of raw materials for secondary battery production. SK On Co., Ltd. and SK Trading International Co., Ltd., the merged parties, are affiliated companies belonging to the SK Business Group under the Monopoly Regulation and Fair Trade Act.

The main contents are as follows.

	Description
Surviving company after merger	SK On Co., Ltd.
Extinct company after merger	SK Trading International Co., Ltd.
Merger date	November 1, 2024
Merger ratio	SK On Co., Ltd. : SK Trading International Co., Ltd. = 1 : 16.8748264

The Merger of SK Trading International Co., Ltd. by SK On Co., Ltd. will be finalized at the extraordinary general shareholders' meeting scheduled for August 27, 2024, and the merger may be canceled if more than two-thirds of the voting rights of the participating shareholders and more than one-third of the total number of issued shares are not obtained at the extraordinary general shareholders' meeting to approve the merger.

(12) The Merger of SK enterm Co., Ltd. by SK On Co., Ltd.

SK On Co., Ltd., a subsidiary, decided to merge with SK enterm Co., Ltd., a subsidiary of the group, at a board meeting held on July 17, 2024 to strengthen trading competitiveness based on direct assets such as tank terminals and expand trading Biz such as eco-friendly products. SK On Co., Ltd. and SK enterm Co., Ltd., the merged parties, are affiliated companies belonging to the SK Business Group under the Monopoly Regulation and Fair Trade Act.

The main contents are as follows.

	Description
Surviving company after merger	SK On Co., Ltd.
Extinct company after merger	SK enterm Co., Ltd.
Merger date	February 1, 2025
Merger ratio	SK On Co., Ltd. : SK enterm Co., Ltd. = 1 : 2.6541770

The Merger of SK enterm Co., Ltd. by SK On Co., Ltd. will be finalized at the extraordinary general shareholders' meeting scheduled for August 27, 2024, and the merger may be canceled if more than two-thirds of the voting rights of the participating shareholders and more than one-third of the total number of issued shares are not obtained at the extraordinary general shareholders' meeting to approve the merger.

(13) Issuance of bonds by SK Geo Centric Co., Ltd.

SK Geo Centric Co., Ltd., a subsidiary of the group, decided to issue corporate bonds (22nd) in accordance with the resolution of the board of directors on May 21, 2024, and issued them on July 31, after confirming the issuance conditions on July 30, 2024. The amount of issuance is ₩150,000 million in total, and the funds raised will be used for debt repayment and facility funds.

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

(14) The merger of the subsidiary of SK Geo Centric Co., Ltd.

On July 1, 2024, the Group decided to merge its subsidiaries SK Geo Centric International Trading Co., Ltd. with SK Geo Centric International Trading Co., Ltd. (Guangzhou) Co., Ltd. with the aim of streamlining management and enhancing corporate value by simplifying the business structure in China. After the merger, SK Geo Centric International Trading Co., Ltd. will be the surviving company, while SK Geo Centric International Trading Co., Ltd. (Guangzhou) Co., Ltd. will be dissolved on the merger date, scheduled for August 31, 2024.

(15) Investment in the joint venture of the Alpine Intelligence Company of SK Networks Co., Ltd.

According to the board's resolution on July 9, 2024, SK Networks Co., Ltd., a subsidiary of the group, decided to invest in an Alpine Intelligence Private Equity Joint Venture to discover new business opportunities in the artificial intelligence (AI) field. The investment agreement amount is USD 30,000,000, and the investment will be paid according to the Capital Call in the future.

(16) Material division of SK Networks Co., Ltd.

SK Networks Co., Ltd., a subsidiary, has decided to split the businesses as of September 1, 2024 and December 1, 2024 in accordance with the approval of the general shareholders' meeting on August 7, 2024, in order to enhance corporate value by enhancing the expertise and management efficiency of the Speedmate and trading business units. The names of the newly divided companies are SK Speedmate Co., Ltd. (tentative name) and SK Trading Co., Ltd. (tentative name).