



# **SK Inc.** **AND ITS SUBSIDIARIES**

Consolidated Financial Statements  
December 31, 2025 and 2024  
(with Independent Auditor's Report Thereon)

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## Independent Auditors' Report

### Based on a report originally issued in Korean

To the Shareholders and Board of Directors of  
SK Inc.

#### Opinion

We have audited the consolidated financial statements of SK Inc. and its subsidiaries (the "Group"), expressed in Korean won, which comprise the consolidated statements of financial position as of December 31, 2025 and 2024 and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Korean International Financial Reporting Standards ("K-IFRS").

We also have audited, in accordance with Korean Standards on Auditing ("KSAs"), the Group's internal control over financial reporting ("ICFR") for consolidation purposes as of December 31, 2025 based on the criteria established in Conceptual Framework for Designing and Operating Internal Control over Financial Reporting issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea, and our report dated March 11, 2026 expressed an unmodified opinion on the effectiveness of the Group's internal control over financial reporting for consolidation purposes.

#### Basis for Opinion

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

#### Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements as of and for the year ended December 31, 2025. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

#### Impairment testing of goodwill

As described in Note 15 to the consolidated financial statements, the Group has recognized goodwill of ₩3,348,967 million as of December 31, 2025, arising from various past business combinations.

Among the total goodwill recognized by the Group, goodwill related to the E-waste recycling business, which the Group acquired in 2022, amounted to ₩839,003 million and is quantitatively significant. In accordance with K-IFRS 1036 *Impairment of Assets*, goodwill arising from a business combination must be tested for impairment annually. Given the significance of management's assumptions and judgments used in estimating the value in use, we identified the impairment assessment of goodwill related to the E-waste recycling business as a key audit matter.



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

- Obtaining an understanding of the process related to the goodwill impairment assessment, and evaluating the design and operating effectiveness of the of relevant internal controls.
- Comparing the financial forecasts used in estimating value-in-use with the financial projections approved by management.
- Assessing management ability to reliably forecast by comparing prior-year's forecast to current-year actual results.
- Evaluating key assumptions used in the impairment assessment by comparing them to historical financial performance, industry benchmarks, and market data.
- Involving our an internal valuation specialists to assess the appropriateness of valuation methodology, business plan.

#### **Other Matters**

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

The accompanying consolidated financial statements as of and for the years ended December 31, 2025 and 2024 have been translated into United States dollars solely for the convenience of the reader. We have audited the translation and, in our opinion, the consolidated financial statements expressed in Korean won have been translated into dollars on the basis set forth in Note 2 to the consolidated financial statements.

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

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

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

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

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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



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

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

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

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

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

*KPMG Samjong Accounting Corp.*

Seoul, Korea  
March 11, 2026

This report is effective as of March 11, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

# **SK Inc. AND ITS SUBSIDIARIES**

Consolidated Financial Statements  
for the years ended December 31, 2025 and 2024

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

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

**SK Inc. and its subsidiaries**  
**Consolidated statements of financial position**  
**as of December 31, 2025 and 2024**

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2025	2024	2025	2024
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	6,40,41	₩ 25,214,132	₩ 24,647,042	\$ 17,572,048	\$ 17,176,836
Short-term financial instruments	6,39,40,41	3,449,044	2,791,768	2,403,682	1,945,619
Trade receivables, net	6,8,35,41	13,133,418	13,454,372	9,152,845	9,376,522
Other receivables, net	6,8,35,41	2,560,879	3,114,522	1,784,709	2,170,550
Inventories, net	9	13,640,490	13,638,472	9,506,230	9,504,824
Short-term investment securities	6,10,39,41	55,896	13,134	38,955	9,153
Other current assets	6,7,8,21,23,35,39,41	5,676,785	6,679,665	3,956,224	4,655,143
Assets held for sale	36	7,945,954	3,092,299	5,537,636	2,155,062
<b>Total current assets</b>		<b>71,676,598</b>	<b>67,431,274</b>	<b>49,952,329</b>	<b>46,993,709</b>
Non-current assets:					
Long-term financial instruments	6,40,41	151,929	51,846	105,881	36,132
Long-term trade receivables, net	6,8,35,41	683,981	601,685	476,675	419,322
Long-term other receivables, net	6,8,35,41	669,945	284,689	466,893	198,403
Long-term investment securities	6,7,10,39,41	7,557,036	6,723,257	5,266,594	4,685,523
Investments in associates and joint ventures	11,39	37,785,816	31,140,023	26,333,414	21,701,877
Property, plant and equipment, net	12,39	69,788,315	80,363,735	48,636,361	56,006,506
Right-of-use assets, net	13	4,345,349	4,938,295	3,028,329	3,441,560
Investment properties, net	14,39	1,060,316	994,339	738,948	692,967
Goodwill	15	3,348,967	5,462,338	2,333,938	3,806,773
Intangible assets, net	16	8,558,894	10,442,495	5,964,802	7,277,507
Defined benefit asset	20	452,097	339,646	315,072	236,704
Deferred tax assets	33	3,514,664	2,418,044	2,449,414	1,685,166
Other non-current assets	6,7,8,21,23,35,41	3,925,761	3,786,088	2,735,913	2,638,573
<b>Total non-current assets</b>		<b>141,843,070</b>	<b>147,546,480</b>	<b>98,852,234</b>	<b>102,827,013</b>
<b>Total assets</b>		<b>₩ 213,519,668</b>	<b>₩ 214,977,754</b>	<b>\$ 148,804,563</b>	<b>\$ 149,820,722</b>
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Current liabilities:					
Short-term borrowings	6,7,17,39,41	₩ 11,714,166	₩ 20,002,596	\$ 8,163,751	\$ 13,940,063
Trade payables	6,35,41	13,083,313	12,752,930	9,117,927	8,887,679
Other payables	6,35,41	8,262,826	10,423,076	5,758,468	7,263,974
Provisions	19	1,096,331	598,197	764,047	416,891
Current portion of long-term debt	6,7,17,39,41	14,940,580	14,788,886	10,412,280	10,306,562
Other current liabilities	6,7,13,22,23,35,41	12,028,367	11,980,362	8,382,721	8,349,266
Liabilities held for sale	36	5,999,710	986,774	4,181,274	687,695
<b>Total current liabilities</b>		<b>67,125,293</b>	<b>71,532,821</b>	<b>46,780,468</b>	<b>49,852,130</b>
Non-current liabilities:					
Bonds and long-term borrowings	6,7,17,41	45,546,013	48,073,129	31,741,594	33,502,773
Long-term other payables	6,18,41	494,792	958,437	344,827	667,947
Defined benefit liabilities	20	41,083	87,165	28,631	60,746
Provisions	19	1,478,596	1,307,787	1,030,452	911,413
Deferred tax liabilities	33	4,766,754	4,080,780	3,322,011	2,843,947
Other non-current liabilities	6,7,13,22,23,35,41	8,375,802	8,650,099	5,837,203	6,028,364
<b>Total non-current liabilities</b>		<b>60,703,040</b>	<b>63,157,397</b>	<b>42,304,718</b>	<b>44,015,190</b>
<b>Total liabilities</b>		<b>127,828,333</b>	<b>134,690,218</b>	<b>89,085,186</b>	<b>93,867,320</b>
<b>Equity</b>					
Equity attributable to owners of the parent:					
Share capital	1,24	16,143	16,143	11,250	11,250
Other paid-in capital	24,28	10,098,002	11,249,551	7,037,426	7,839,955
Retained earnings	25	13,011,427	11,881,908	9,067,828	8,280,652
Other components of equity	27	2,061,624	1,966,989	1,436,772	1,370,820
Equity attributable to owners of the Parent Company		25,187,196	25,114,591	17,553,276	17,502,677
Non-controlling interests	1,5	60,504,139	55,172,945	42,166,101	38,450,725
<b>Total equity</b>		<b>85,691,335</b>	<b>80,287,536</b>	<b>59,719,377</b>	<b>55,953,402</b>
<b>Total liabilities and equity</b>		<b>₩ 213,519,668</b>	<b>₩ 214,977,754</b>	<b>\$ 148,804,563</b>	<b>\$ 149,820,722</b>

See accompanying notes to the consolidated financial statements.

**SK Inc. and its subsidiaries**  
**Consolidated statements of comprehensive income**  
**for the years ended December 31, 2025 and 2024**

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2025	2024	2025	2024
<b>Continuing operations</b>					
Sales	4,35	₩ 122,703,338	₩ 123,399,669	\$ 85,513,512	\$ 85,998,794
Cost of sales	32,35	113,115,428	112,900,478	78,831,576	78,681,774
<b>Gross profit</b>		<b>9,587,910</b>	<b>10,499,191</b>	<b>6,681,936</b>	<b>7,317,020</b>
Other operating income	4	718,629	292,358	500,822	203,748
Selling and administrative expenses	29,32,35	8,488,063	8,395,547	5,915,439	5,850,963
<b>Operating profit</b>	<b>4</b>	<b>1,818,476</b>	<b>2,396,002</b>	<b>1,267,319</b>	<b>1,669,805</b>
Finance income	6,30	7,393,232	6,800,464	5,152,437	4,739,330
Finance costs	6,30	10,199,142	10,099,704	7,107,911	7,038,612
Gain on investments in associates and joint ventures, net	11	8,837,846	3,811,186	6,159,207	2,656,064
Other non-operating income	31	3,864,379	1,591,650	2,693,135	1,109,241
Other non-operating expenses	31	9,077,799	3,170,711	6,326,434	2,209,710
<b>Profit from continuing operations before income tax expense</b>	<b>4</b>	<b>2,636,992</b>	<b>1,328,887</b>	<b>1,837,753</b>	<b>926,118</b>
<b>Income tax expense from continuing operations</b>	<b>33</b>	<b>281,169</b>	<b>769,567</b>	<b>195,950</b>	<b>536,321</b>
<b>Profit for the year from continuing operations</b>	<b>4</b>	<b>2,355,823</b>	<b>559,320</b>	<b>1,641,803</b>	<b>389,797</b>
<b>Gain (loss) from discontinued operations</b>	<b>36</b>	<b>1,199,423</b>	<b>(30,510)</b>	<b>835,893</b>	<b>(21,263)</b>
<b>Profit for the year attributable to:</b>		<b>₩ 3,555,246</b>	<b>₩ 528,810</b>	<b>\$ 2,477,696</b>	<b>\$ 368,534</b>
Owners of the Parent Company		1,597,498	(1,292,684)	1,113,317	(900,888)
Non-controlling interests		1,957,748	1,821,494	1,364,379	1,269,422
<b>Other comprehensive income (loss):</b>					
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Remeasurements of the net defined benefit plans		7,393	(142,585)	5,152	(99,369)
Net gain (loss) on valuation of financial assets at FVOCI		1,373,516	(517,026)	957,221	(360,322)
Items that are or may be reclassified subsequently to profit or loss (net of tax):					
Equity adjustments of investments in associates and joint ventures		85,672	853,194	59,706	594,602
Net gain (loss) on valuation of derivative financial instruments		(25)	15,587	(17)	10,863
Net gain (loss) on translation of foreign operations		(560,864)	4,741,143	(390,873)	3,304,163
		905,692	4,950,313	631,189	3,449,937
<b>Total comprehensive income for the year attributable to:</b>		<b>₩ 4,460,938</b>	<b>₩ 5,479,123</b>	<b>\$ 3,108,885</b>	<b>\$ 3,818,471</b>
Owners of the Parent Company		1,608,006	532,788	1,120,641	371,307
Non-controlling interests		2,852,932	4,946,335	1,988,244	3,447,164
<b>Earnings (loss) per share (Korean won and U.S. dollar):</b>	<b>34</b>				
Basic earnings (loss) per share (common shares)		₩ 29,000	₩ (23,455)	\$ 20	\$ (16)
Basic earnings (loss) per share (preferred shares)		29,050	(23,455)	20	(16)
Diluted earnings (loss) per share (common shares)		28,982	(23,525)	20	(16)
Basic earnings (loss) per share from continuing operations (common shares)		2,313	(23,179)	2	(16)
Basic earnings (loss) per share from continuing operations (preferred shares)		2,313	(23,179)	2	(16)
Diluted earnings (loss) per share from continuing operations (common shares)		2,311	(23,250)	2	(16)

See accompanying notes to the consolidated financial statements.

**SK Inc. and its subsidiaries**  
**Consolidated statements of changes in equity**  
**for the years ended December 31, 2025 and 2024**  
(Korean won in millions)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
	₩	₩	₩	₩	₩	₩	₩
<b>As of January 1, 2024</b>	<b>16,143</b>	<b>7,024,926</b>	<b>13,668,066</b>	<b>17,579</b>	<b>20,726,714</b>	<b>57,152,336</b>	<b>77,879,050</b>
Total comprehensive income:							
Profit (loss) for the year	-	-	(1,292,684)	-	(1,292,684)	1,821,494	528,810
Remeasurements of the net defined benefit plans	-	-	(50,852)	-	(50,852)	(91,733)	(142,585)
Net loss on valuation of financial assets measured at FVOCI	-	-	(73,086)	(390,359)	(463,445)	(53,581)	(517,026)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	572,089	572,089	281,105	853,194
Net gain on valuation of derivative financial instruments	-	-	-	11,069	11,069	4,518	15,587
Net gain on translation of foreign operations	-	-	-	1,756,611	1,756,611	2,984,532	4,741,143
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(275,446)	-	(275,446)	(1,543,962)	(1,819,408)
Stock-based payment	-	(10,352)	-	-	(10,352)	101,075	90,723
Retirement of treasury shares	-	75,362	(75,362)	-	-	-	-
Equity transactions within consolidated entities	-	4,172,055	-	-	4,172,055	(4,453,324)	(281,269)
Changes in the scope of consolidation	-	-	-	-	-	(1,032,894)	(1,032,894)
Others	-	(12,440)	(18,728)	-	(31,168)	3,379	(27,789)
<b>As of December 31, 2024</b>	<b>16,143</b>	<b>11,249,551</b>	<b>11,881,908</b>	<b>1,966,989</b>	<b>25,114,591</b>	<b>55,172,945</b>	<b>80,287,536</b>
<b>As of January 1, 2025</b>	<b>16,143</b>	<b>11,249,551</b>	<b>11,881,908</b>	<b>1,966,989</b>	<b>25,114,591</b>	<b>55,172,945</b>	<b>80,287,536</b>
Total comprehensive income:							
Profit for the year	-	-	1,597,498	-	1,597,498	1,957,748	3,555,246
Remeasurements of the net defined benefit plans	-	-	17,074	-	17,074	(9,681)	7,393
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(100,796)	528,071	427,275	946,241	1,373,516
Equity adjustment arising from investments in equity-accounted investees	-	-	(405)	39,964	39,559	46,113	85,672
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(1,264)	(1,264)	1,239	(25)
Net loss on translation of foreign operations	-	-	-	(472,136)	(472,136)	(88,728)	(560,864)
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(385,624)	-	(385,624)	(1,108,566)	(1,494,190)
Stock-based payment	-	50	-	-	50	126,506	126,556
Equity transactions within consolidated entities	-	(1,034,312)	-	-	(1,034,312)	3,492,030	2,457,718
Changes in the scope of consolidation	-	-	-	-	-	(26,282)	(26,282)
Others	-	(117,287)	1,772	-	(115,515)	(5,426)	(120,941)
<b>As of December 31, 2025</b>	<b>16,143</b>	<b>10,098,002</b>	<b>13,011,427</b>	<b>2,061,624</b>	<b>25,187,196</b>	<b>60,504,139</b>	<b>85,691,335</b>

(Continued)

**SK Inc. and its subsidiaries**  
**Consolidated statements of changes in equity**  
**for the years ended December 31, 2025 and 2024 (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
<b>As of January 1, 2024</b>	\$ 11,250	\$ 4,895,760	\$ 9,525,448	\$ 12,251	\$ 14,444,709	\$ 39,830,187	\$ 54,274,896
Total comprehensive income:							
Profit (loss) for the year	-	-	(900,888)	-	(900,888)	1,269,422	368,534
Remeasurements of the net defined benefit plans	-	-	(35,439)	-	(35,439)	(63,930)	(99,369)
Net loss on valuation of financial assets measured at FVOCI	-	-	(50,935)	(272,046)	(322,981)	(37,341)	(360,322)
Equity adjustment arising from investments in equity-accounted investees	-	-	-	398,696	398,696	195,906	594,602
Net gain on valuation of derivative financial instruments	-	-	-	7,714	7,714	3,149	10,863
Net gain on translation of foreign operations	-	-	-	1,224,205	1,224,205	2,079,958	3,304,163
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(191,961)	-	(191,961)	(1,076,007)	(1,267,968)
Stock-based payment	-	(7,214)	-	-	(7,214)	70,440	63,226
Retirement of treasury shares	-	52,521	(52,521)	-	-	-	-
Equity transactions within consolidated entities	-	2,907,558	-	-	2,907,558	(3,103,578)	(196,020)
Changes in the scope of consolidation	-	-	-	-	-	(719,837)	(719,837)
Others	-	(8,670)	(13,052)	-	(21,722)	2,356	(19,366)
<b>As of December 31, 2024</b>	<u>\$ 11,250</u>	<u>\$ 7,839,955</u>	<u>\$ 8,280,652</u>	<u>\$ 1,370,820</u>	<u>\$ 17,502,677</u>	<u>\$ 38,450,725</u>	<u>\$ 55,953,402</u>
<b>As of January 1, 2025</b>	\$ 11,250	\$ 7,839,955	\$ 8,280,652	\$ 1,370,820	\$ 17,502,677	\$ 38,450,725	\$ 55,953,402
Total comprehensive income:							
Profit for the year	-	-	1,113,317	-	1,113,317	1,364,379	2,477,696
Remeasurements of the net defined benefit plans	-	-	11,899	-	11,899	(6,747)	5,152
Net gain (loss) on valuation of financial assets measured at FVOCI	-	-	(70,246)	368,019	297,773	659,448	957,221
Equity adjustment arising from investments in equity-accounted investees	-	-	(282)	27,851	27,569	32,137	59,706
Net gain (loss) on valuation of derivative financial instruments	-	-	-	(881)	(881)	864	(17)
Net loss on translation of foreign operations	-	-	-	(329,037)	(329,037)	(61,836)	(390,873)
Transaction with share holders recognized directly to equity:							
Dividends	-	-	(268,747)	-	(268,747)	(772,574)	(1,041,321)
Stock-based payment	-	35	-	-	35	88,163	88,198
Equity transactions within consolidated entities	-	(720,825)	-	-	(720,825)	2,433,640	1,712,815
Changes in the scope of consolidation	-	-	-	-	-	(18,316)	(18,316)
Others	-	(81,739)	1,235	-	(80,504)	(3,782)	(84,286)
<b>As of December 31, 2025</b>	<u>\$ 11,250</u>	<u>\$ 7,037,426</u>	<u>\$ 9,067,828</u>	<u>\$ 1,436,772</u>	<u>\$ 17,553,276</u>	<u>\$ 42,166,101</u>	<u>\$ 59,719,377</u>

See accompanying notes to the consolidated financial statements.

**SK Inc. and its subsidiaries**  
**Consolidated statements of cash flows**  
**for the years ended December 31, 2025 and 2024**  
(Korean won in millions and U.S. dollar in thousands)

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		2025	2024	2025	2024
<b>Cash flows from operating activities:</b>					
Profit for the year		₩ 3,555,246	₩ 528,810	\$ 2,477,696	\$ 368,534
Non-cash adjustments	37	7,027,123	11,053,002	4,897,291	7,702,977
Working capital adjustments	37	(967,833)	946,674	(674,495)	659,749
Interest received		886,226	882,695	617,622	615,161
Interest paid		(3,124,727)	(3,891,755)	(2,177,662)	(2,712,213)
Dividends received		738,479	357,709	514,655	249,292
Income tax paid		(2,015,716)	(1,557,548)	(1,404,778)	(1,085,475)
<b>Net cash provided by operating activities</b>		<b>6,098,798</b>	<b>8,319,587</b>	<b>4,250,329</b>	<b>5,798,025</b>
<b>Cash flows from investing activities:</b>					
Decrease (increase) in short-term financial instruments, net		(682,177)	417,067	(475,418)	290,659
Increase in long-term financial instruments, net		(128,092)	(18,204)	(89,269)	(12,687)
Decrease in long-term financial instruments, net		21,146	9,635	14,737	6,715
Decrease (increase) in short-term loans, net		(203,759)	160,631	(142,002)	111,946
Increase in long-term loans, net		(54,407)	(275,048)	(37,917)	(191,684)
Decrease (increase) in short-term investment securities, net		(9,125)	65,724	(6,359)	45,804
Proceeds from disposal of long-term investment securities		3,112,745	1,313,863	2,169,311	915,648
Proceeds from disposal of investments in associates and joint ventures		1,633,527	1,387,300	1,138,426	966,827
Proceeds from disposal of property, plant and equipment		1,113,847	408,847	776,254	284,931
Proceeds from disposal of intangible assets		96,543	237,393	67,282	165,442
Proceeds from disposal of assets held for sale		2,392,802	1,333,534	1,667,574	929,357
Acquisition of long-term investment securities		(616,350)	(534,993)	(429,542)	(372,843)
Acquisition of investments in associates and joint ventures		(154,996)	(1,116,763)	(108,019)	(778,286)
Acquisition of property, plant and equipment		(9,586,382)	(15,673,489)	(6,680,871)	(10,923,053)
Acquisition of intangible assets		(494,495)	(253,967)	(344,620)	(176,993)
Increase (decrease) in cash from changes in the scope of consolidation, net		3,485,705	(10,704)	2,429,232	(7,460)
Others, net		(463,675)	391,309	(323,141)	272,708
<b>Net cash used in investing activities</b>		<b>(537,143)</b>	<b>(12,157,865)</b>	<b>(374,342)</b>	<b>(8,472,969)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from (Repayment of) short-term borrowings, net		(7,806,073)	3,073,870	(5,440,151)	2,142,219
Proceeds from bonds and borrowings		21,887,400	23,035,611	15,253,607	16,053,809
Repayment of bonds and borrowings		(17,299,654)	(19,229,964)	(12,056,348)	(13,401,606)
Payment of long-term other payables		(369,150)	(399,565)	(257,265)	(278,462)
Payment of lease liabilities		(984,687)	(1,067,260)	(686,241)	(743,787)
Payment of dividends		(1,544,365)	(1,815,019)	(1,076,288)	(1,264,910)
Cash inflows from consolidated capital transaction		1,342,144	896,830	935,357	625,012
Others, net		(263,567)	380,823	(183,683)	265,400
<b>Net cash provided by (used in) financing activities</b>		<b>(5,037,952)</b>	<b>4,875,326</b>	<b>(3,511,012)</b>	<b>3,397,675</b>
<b>Net increase in cash and cash equivalents</b>		<b>523,703</b>	<b>1,037,048</b>	<b>364,975</b>	<b>722,731</b>
<b>Net foreign exchange effects</b>		<b>(83,099)</b>	<b>908,595</b>	<b>(57,913)</b>	<b>633,212</b>
<b>Changes in cash and cash equivalents included in assets held for sale</b>		<b>126,486</b>	<b>17,729</b>	<b>88,150</b>	<b>12,356</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>24,647,042</b>	<b>22,683,670</b>	<b>17,176,836</b>	<b>15,808,537</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>₩ 25,214,132</b>	<b>₩ 24,647,042</b>	<b>\$ 17,572,048</b>	<b>\$ 17,176,836</b>

See accompanying notes to the consolidated financial statements.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**1. Corporate information**

**(1) Parent Company**

SK Inc. (the “Company” or “Parent Company”) was established on April 13, 1991, as the parent company under K-IFRS No. 1110 and has been engaged in providing systems integration, software design and development, information processing and consulting services, and is headquartered at 26, Jongno-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 August 1, 2015, the Company added the investment business to its existing operations for the purpose of holding the securities of its subsidiaries. Furthermore, the Company changed its name to its current form as of the acquisition date.

As of December 31, 2025, 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 Chey each holding 17.90%, 7.37%, and 6.66%, respectively, as of December 31, 2025.

**(2) Consolidated subsidiaries**

The Company and its subsidiaries (collectively, the “Group”) are engaged in petroleum refining, telecommunications, wholesale and retail, chemicals, construction and other industries. Subsidiaries whose accounts are included in the consolidated financial statements as of December 31, 2025 and 2024 are as follows:

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
SK Innovation Co., Ltd.	Korea	Resource development	SK Inc.	52.09%	55.91%
SK Energy Co., Ltd.	Korea	Crude oil refining and sales	SK Innovation Co., Ltd	100.00%	100.00%
Netruck Co., Ltd.	Korea	Gas station operation	SK Energy Co., Ltd.	100.00%	100.00%
JEJU SK FC CORPORATION (formerly, Jeju United FC Corporation)	Korea	Sports association sponsoring	SK Energy Co., Ltd.	100.00%	100.00%
Happydidim	Korea	Service	SK Energy Co., Ltd.	100.00%	100.00%
SK Energy Hong Kong Co., Ltd.	Hong Kong	Investment	SK Energy Co., Ltd.	100.00%	100.00%
SK Energy Road Investment (HK) Co., Ltd.	Hong Kong	Investment	SK Energy Co., Ltd.	100.00%	100.00%
SK Asphalt (Shanghai) Co., Ltd.	China	The sale of asphalt	SK Energy Road Investment (HK) Co., Ltd.	100.00%	100.00%
SK Geo Centric Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd	100.00%	100.00%
SK Geo Centric (Beijing) Holding Co., Ltd.	China	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric China, Ltd.	Hong Kong	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
Sino-Korea Green New Material (JiangSu) Ltd.	China	Petrochemicals manufacture and sales	SK Geo Centric China, Ltd.	60.00%	60.00%
SK Geo Centric International Trading (Shanghai) Co., Ltd.	China	Petrochemicals sales	SK Geo Centric China, Ltd.	100.00%	100.00%
SK GC Americas, Inc.	USA	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Primacor Americas LLC (*8)	USA	Petrochemicals manufacture and sales	SK GC Americas, Inc.	100.00%	100.00%
SK Primacor Europe, S.L.U. (*8)	Spain	Petrochemicals manufacture and sales	SK GC Americas, Inc.	100.00%	100.00%
SK Geo Centric Japan Co., Ltd.	Japan	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric Singapore Pte. Ltd.	Singapore	Petrochemicals sales	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Geo Centric Investment Hong Kong Ltd.	Hong Kong	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
Ningbo SK Performance Rubber Co., Ltd. (*8)	China	manufacture	SK Geo Centric Investment Hong Kong Ltd.	80.00%	80.00%
HAPPYMOEUM	Korea	Service	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Functional Polymer, S.A.S (*8)	France	Petrochemicals manufacture and sales	SK Geo Centric Co., Ltd	100.00%	100.00%
Green & Connect Capital, Inc.	USA	Investment	SK Geo Centric Co., Ltd	100.00%	100.00%
ONEPOL Co., Ltd. (*8)	Korea	Petrochemicals manufacture	SK Geo Centric Co., Ltd	100.00%	100.00%
SK Incheon Petrochem Co., Ltd.	Korea	Chemicals manufacturing and sales	SK Innovation Co., Ltd	100.00%	100.00%
SK Energy International Pte. Ltd.	Singapore	Trading business	SK On Co., Ltd	100.00%	100.00%
SK Energy Europe, Ltd.	UK	Trading business	SK Energy International Pte. Ltd.	100.00%	100.00%
SK Energy Americas, Inc.	USA	Trading business	SK Energy International Pte. Ltd.	100.00%	100.00%
Yubase Manufacturing Asia Corporation (*2)	Korea	Lubricants oil processing	SK On Co., Ltd	70.00%	70.00%
SK Enmove (Tianjin) Co., Ltd.	China	Lubricants oil manufacturing and sales	SK On Co., Ltd	100.00%	100.00%
SK Enmove Americas, Inc.	USA	Lubricants oil sales	SK On Co., Ltd	100.00%	100.00%
SK Enmove Europe B.V.	Netherlands	Lubricants oil sales	SK On Co., Ltd	100.00%	100.00%
SK Enmove Japan Co., Ltd.	Japan	Lubricants oil sales	SK On Co., Ltd	100.00%	100.00%
SK Enmove India Pvt. Ltd.	India	Lubricants oil sales	SK On Co., Ltd	100.00%	100.00%

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
Iberian Lube Base Oils Company, S.A. (*2)	Spain	Lubricants oil manufacturing and sales	SK On Co., Ltd	70.00%	70.00%
SK Enmove Russia LLC	Russia	Lubricants oil sales	SK On Co., Ltd	100.00%	100.00%
SK ie technology Co., Ltd.	Korea	Manufacture of Separators for secondary Cells	SK Innovation Co., Ltd	53.35%	61.20%
SK Hi-tech Battery Materials (Jiang Su) Co., Ltd.	China	Manufacture of Separators for secondary Cells	SK ie technology Co., Ltd.	100.00%	100.00%
SK Hi-tech Battery Materials Poland Sp. Zo.o.	Poland	Manufacture of Separators for secondary Cells	SK ie technology Co., Ltd.	100.00%	100.00%
SK Innovation Insurance (Bermuda), Ltd.	Bermuda	Insurance	SK Innovation Co., Ltd	100.00%	100.00%
SK Americas Inc.	USA	Management consulting	SK Innovation Co., Ltd	80.00%	80.00%
HAPPYKIUM	Korea	Service	SK Innovation Co., Ltd	100.00%	100.00%
SK On Co., Ltd.	Korea	Lithium battery manufacturing	SK Innovation Co., Ltd	90.32%	86.55%
SK On Hungary Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK On (Jiangsu) Co., Ltd.	China	Lithium battery manufacturing	SK On Co., Ltd	70.04%	70.04%
SK On (Yancheng) Co., Ltd.	China	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK Battery America, Inc.	USA	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
BlueOval SK, LLC (*3)	USA	Lithium battery manufacturing	SK Battery America, Inc.	50.00%	50.00%
SK Battery Manufacturing Kft.	Hungary	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
SK On (Shanghai) Co., Ltd.	China	Lithium battery sales	SK On Co., Ltd	100.00%	100.00%
SK ON TECH PLUS CO., LTD.	Korea	Lithium battery manufacturing	SK On Co., Ltd	100.00%	100.00%
Yancheng Yandu District M Energy Consulting Limited Company	China	Service / manufacturing service	SK ON TECH PLUS CO., LTD.	100.00%	100.00%
Mobile Energy Battery America, LLC.	USA	Service / manufacturing service	SK ON TECH PLUS CO., LTD.	100.00%	100.00%
Happy midum	Korea	Service	SK On Co., Ltd	100.00%	100.00%
SK On Certification Center (Jiangsu) Co., Ltd. (formerly, SK on Technology Center (Jiangsu) Co., Ltd)	China	Lithium cell certification	SK On Co., Ltd	100.00%	100.00%
Route on Delaware, Inc.	USA	Storage Battery Manufacturing	SK On Co., Ltd	100.00%	100.00%
Earthon North Ketapang Pte. Ltd	Singapore	Resource development	SK earthon Co., Ltd.	100.00%	-
EO SERPANG PTE. LTD	Singapore	Resource development	SK earthon Co., Ltd.	100.00%	-
EO BINAIYA PTE. LTD	Singapore	Resource development	SK earthon Co., Ltd.	100.00%	-
Voltcycle On LLC	Hungary	Battery Reuse and Recycling Services	SK ON Hungary Kft.	85.00%	85.00%
SK Earthon Co., Ltd.	Korea	Oil development	SK Innovation Co., Ltd	100.00%	100.00%
SK Earthon Australia Pty Ltd	Australia	Resource development	SK earthon Co., Ltd.	100.00%	100.00%
SK Innovation America, Inc.	USA	Investment	SK Innovation Co., Ltd	100.00%	100.00%
Grove Energy Capital IV, LLC	USA	Investment	SK Innovation America, Inc.	100.00%	100.00%
SK innovation outpost Corporation	USA	Management consulting	SK Innovation Co., Ltd	100.00%	100.00%
Kangwon City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Yeongnam Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Ko-one Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Narae Energy Service Co., Ltd.	Korea	Integrated energy service	SK Innovation Co., Ltd	90.09%	100.00%
Busan City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS BUSAN CO., LTD.	100.00%	100.00%
Jeonbuk Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Chonnam City Gas Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Chungcheong Energy Service Co., Ltd.	Korea	City gas business	E&S CITYGAS CO., LTD.	100.00%	100.00%
Paju Energy Service Co., Ltd.	Korea	Energy business	SK Innovation Co., Ltd	51.00%	51.00%
Yeouju Energy Service Co., Ltd.	Korea	Energy business	SK Innovation Co., Ltd	90.80%	100.00%
SK E&S Hong Kong Co., Ltd.	Hong Kong	City gas business	SK Innovation Co., Ltd	100.00%	100.00%
PRISM Energy International Australia Pty Ltd	Australia	Resource development	SK Innovation Co., Ltd	100.00%	100.00%
PRISM Energy International Americas, Inc. (formerly, SK E&S Americas, Inc.)	USA	Holding company	SK Innovation America, Inc.	100.00%	100.00%
Boryeong BlueHy Co., Ltd.	Korea	Industrial gas manufacturing industry	SK Innovation Co., Ltd	100.00%	100.00%
Energy Solution Holdings Inc.	USA	Investment	PRISM Energy International Americas, Inc.	100.00%	100.00%
LNG Americas, Inc.	USA	LNG business	PRISM Energy International Americas, Inc.	100.00%	100.00%
LAI CCS, LLC	USA	Carbon Collection and Storage-Related Investment Projects	LNG Americas, Inc.	100.00%	100.00%
DewBlaine Energy, LLC	USA	Resource development	LNG Americas, Inc.	100.00%	100.00%
Passkey, Inc.	USA	New regeneration business	PRISM Energy International Americas, Inc.	100.00%	100.00%
Pnes Investments, LLC	USA	Investment	LNG Americas, Inc.	100.00%	100.00%
Rnes Holdings, LLC	USA	Renewable / electric power business	LNG Americas, Inc.	100.00%	100.00%
Grid Solution, LLC	USA	New regeneration business	Rnes Holdings, LLC	85.31%	85.31%
ArkN, LLC	USA	Energy solution	Rnes Holdings, LLC	100.00%	100.00%
Ark1, LLC	USA	Energy solution	ArkN, LLC	100.00%	100.00%
Ark2, LLC	USA	Energy solution	ArkN, LLC	100.00%	-
Key Capture Energy, LLC	USA	Energy solution	Grid Solution, LLC.	98.24%	98.24%
KCE Global Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE PF Holdings 2021, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE LAND Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 14, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 18, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 19, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 21, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 22, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 26, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 27, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 28, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 29, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 30, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 31, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 32, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership <sup>(1)</sup>	
				December 31, 2025	December 31, 2024
KCE NY 34, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 35, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 36, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 37, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 38, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 40, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 41, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NY 42, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NE 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NE 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CA 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NV 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NV 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NV 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 11, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 12, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 13, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 14, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 15, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 16, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 19, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 21, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 24, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 25, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 26, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 28, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 30, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 31, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE TX 33, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 8, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 9, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 10, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE CT 11, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MI 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MN 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE ME 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE ME 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IL 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IN 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IN 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IN 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IN 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE OK 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE OK 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE OK 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE OK 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE OK 6, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE IA 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MA 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MA 5, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE ID 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE ID 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE ID 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE Brushy Creek Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE Texas Holdings 2020, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
Roughneck Storage LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE Market Operations, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE PF Holdings 2022, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE PF Holdings 2024, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE MN 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE AR 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE NM 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	100.00%
KCE AZ 1, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE NM 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE ID 7, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE AZ 3, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE AZ 2, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE Project Holdings, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
KCE NV 4, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
Pledgor 2025 NY LC Facility, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
Borrower 2025 NY LC Facility, LLC	USA	Energy solution	Key Capture Energy, LLC	100.00%	-
Grid Solution II, LLC	USA	Energy solution	Rnes Holdings, LLC	100.00%	100.00%
Prism Energy International Pte., Ltd.	Singapore	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Prism Energy International Hong Kong Ltd.	Hong Kong	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%

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**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
PT Prism Nusantara International	Indonesia	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
Prism Energy International China Limited	China	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Prism Energy International Zhoushan Limited	China	LNG business	Prism Energy International China Limited	100.00%	100.00%
SK E&S Dominicana S.R.L	Dominica	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
Hae-Ssal Solar Power Co., Ltd.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
Prism DLNG Pte. Ltd.	Singapore	LNG business	Prism Energy International Pte. Ltd.	100.00%	100.00%
Prism Darwin Pipeline Pty. Ltd.	Australia	LNG business	PRISM ENERGY INTERNATIONAL PTE. LTD.	100.00%	100.00%
BU12 Australia Pty. Ltd.	Australia	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
BU13 Australia Pty. Ltd.	Australia	LNG business	SK Innovation Co., Ltd	100.00%	100.00%
ARIUL SOLAR POWER CO., LTD.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
Ensolve Co., Ltd.	Korea	New regeneration business	SK Innovation Co., Ltd	100.00%	100.00%
(formerly, Busan Jungkwan Energy Co., Ltd.)					
IGE Co., Ltd.	Korea	Hydrogen business	SK Innovation Co., Ltd	100.00%	100.00%
BUSA SOLAR POWER CO., LTD.	Korea	New regeneration business	SK Innovation Co., Ltd	70.00%	70.00%
NEW RENEWABLE ENERGY NO.1 Joint Stock Company	Vietnam	New regeneration business	SK Innovation Co., Ltd	99.99%	99.99%
E&S CITYGAS CO., LTD.	Korea	Holding company	SK Innovation Co., Ltd	100.00%	100.00%
E&S CITYGAS BUSAN CO., LTD.	Korea	Holding company	SK Innovation Co., Ltd	100.00%	100.00%
Yuilrobotics Co., Ltd (*4)	Korea	Special-Purpose Machinery Manufacturing	SK Battery America, Inc.	13.19%	-
SK Telecom Co., Ltd. (*5)	Korea	Mobile telecommunications	SK Inc.	30.57%	30.57%
SK Telink Co., Ltd.	Korea	International call and MVNO business	SK Telecom Co., Ltd.	100.00%	100.00%
SK Broadband Co., Ltd.	Korea	Wire communications	SK Telecom Co., Ltd.	99.10%	99.10%
Home&Service Co., Ltd.	Korea	Information and communication facilities management business	SK Broadband Co., Ltd.	100.00%	100.00%
Media S Co., Ltd. (*8)	Korea	Broadcasting program production	SK Broadband Co., Ltd.	100.00%	100.00%
SK Stoa Co., Ltd. (*8)	Korea	Other resale communication business	SK Telecom Co., Ltd.	100.00%	100.00%
PS&Marketing Corp	Korea	Resale communication business	SK Telecom Co., Ltd.	100.00%	100.00%
Service Ace Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%	100.00%
Service Top Co., Ltd.	Korea	Call center and telemarketing business	SK Telecom Co., Ltd.	100.00%	100.00%
SK O&S Co., Ltd.	Korea	Maintenance management	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom China Holdings Co., Ltd.	China	Holding company	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom Americas, Inc.	USA	Management consulting and information gathering	SK Telecom Co., Ltd.	100.00%	100.00%
Global AI Platform Corporation	USA	Others (AI)	SK Telecom Americas, Inc.	100.00%	100.00%
Global AI Platform Corporation Korea Co., Ltd.	Korea	Others (AI)	Global AI Platform Corporation	100.00%	100.00%
Atlas Investment Ltd.	Cayman	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
SK Telecom Innovation Fund, L.P.	USA	Investment	Atlas Investment Ltd.	100.00%	100.00%
Forest AI Investment	Cayman	Investment	Atlas Investment Ltd.	100.00%	-
SK Japan Inc. (formerly, SK telecom Japan Inc.)	Japan	Management consulting and information gathering	SK Inc., SK innovation Co., Ltd., SK Telecom Co., Ltd	74.73%	74.73%
Happy Hanool Co., Ltd.	Korea	Service	SK Telecom Co., Ltd.	100.00%	100.00%
SK MENA Investment B.V.	Netherlands	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
SK Technology Innovation Company	Cayman	Research and development	SK Telecom Co., Ltd.	96.88%	96.88%
Sapeon Inc.	USA	Non-memory and other electronic integrated circuits manufacturing	SK Telecom Co., Ltd.	74.95%	75.01%
ASTRA AI Infra LLC	USA	Investment	SK Telecom Co., Ltd.	100.00%	100.00%
SK Square Co., Ltd. (*5)	Korea	Investment	SK Inc.	32.14%	31.50%
Onestore Co., Ltd. (*6)	Korea	Telecommunication service	SK Square Co., Ltd.	45.80%	45.80%
11street Co., Ltd.	Korea	E-commerce	SK Planet Co., Ltd.	100.00%	98.10%
11street China Co., Ltd.	China	Managing Director Agency Service	11street Co., Ltd.	100.00%	100.00%
SK Planet Co., Ltd.	Korea	Telecommunication service and system software development and supplying	SK Square Co., Ltd.	99.50%	86.26%
SK Square Americas, Inc	USA	Investment	SK Square Co., Ltd.	100.00%	100.00%
FSK L&S Co., Ltd.	Korea	Cargo transport shipment and logistics consulting project	SK Square Co., Ltd.	60.00%	60.00%
FSK L&S (Shanghai) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S Hungary Kft.	Hungary	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
(formerly, FSK L&S (Hungary) Co., Ltd)					
FSK L&S VIETNAM COMPANY LIMITED (formerly, FSK L&S (Vietnam) Co., Ltd.)	Vietnam	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S (Jiangsu) Co., Ltd.	China	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
FSK L&S USA, Inc.	USA	Transportation industry	FSK L&S Co., Ltd.	100.00%	100.00%
(formerly, FSK L&S (America) Co., Ltd.)					
Incross Co., Ltd. (*5)	Korea	Media agency	SK Square Co., Ltd.	36.06%	36.06%
Mindknock Co., Ltd.	Korea	Software development	Incross Co., Ltd.	100.00%	100.00%
Tmap Mobility Co., Ltd. (*7)	Korea	Information and communication industry	SK Square Co., Ltd.	63.23%	62.43%
YLP Inc.	Korea	Cargo transport shipment business	Tmap Mobility Co., Ltd.	100.00%	100.00%
TGC Square Pte. Ltd.	Singapore	Investment	SK Square Co., Ltd.	100.00%	100.00%
SK Networks Co., Ltd. (*5)	Korea	Distribution and trading business	SK Inc.	43.90%	43.90%
SK Networks Service Co., Ltd.	Korea	Equipment repair service	SK Networks Co., Ltd.	100.00%	100.00%
SK intellix Co., Ltd.	Korea	Manufacture, sales, and rental of home appliances	SK Networks Co., Ltd.	100.00%	100.00%
(formerly, SK Magic Co., Ltd.)					
SK intellix Service Co., Ltd.	Korea	Home appliance repair, etc.	SK intellix Co., Ltd.	100.00%	100.00%
(formerly, SK Magic Service Co. Ltd.)					
SK Magic Vietnam Company Limited	Vietnam	Household appliances sales and rent	SK intellix Co., Ltd. (formerly, SK Magic Co., Ltd.)	100.00%	100.00%
SK INTELLIX MALAYSIA SDN. BHD (formerly, SK MAGIC RETAILS MALAYSIA SDN. BHD)	Malaysia	Household appliances sales and rent	SK intellix Co., Ltd. (formerly, SK Magic Co., Ltd.)	100.00%	100.00%
NAMUHX AMERICAS INC.	USA	Household appliances sales and rent	SK intellix Co., Ltd. (formerly, SK Magic Co., Ltd.)	100.00%	-
Happy NAMUH Company Limited	Korea	Household appliances sales and rent	SK intellix Co., Ltd. (formerly, SK Magic Co., Ltd.)	100.00%	-
POSK (Pinghu) Steel Processing Center Co., Ltd.	China	Steel processing and sales	SK Networks Co., Ltd.	80.00%	80.00%
SK Networks Japan Co., Ltd.	Japan	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
SK BRASIL LTDA	Brazil	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
Networks Tejarat Pars	Iran	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
MINTIT Co., Ltd.	Korea	Wholesale and commodity brokerage	SK Networks Co., Ltd.	100.00%	100.00%

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**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
MINTIT VINA	Vietnam	Wholesale and commodity brokerage	MINTIT Co., Ltd.	100.00%	100.00%
Phnyx Lab LLC	USA	AI Solutions	SK Networks Americas LLC (formerly, Hico Capital LLC)	100.00%	100.00%
SK Networks Hong Kong Ltd.	Hong Kong	Trading business	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks Resources Australia (Wyong) Pty Ltd.	Australia	Resource development	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks Resources Pty Ltd.	Australia	Resource development	SK Networks Co., Ltd.	100.00%	100.00%
SK Networks (China) Holdings Co., Ltd. (*8)	China	Holding company	SK Networks Co., Ltd.	100.00%	100.00%
SK Shengkaiheng (Shenyang) Real Estate Co., Ltd (formerly, SK Networks (Shenyang) Real Estate Co., Ltd) (*8)	China	Transportation industry	SK Networks (China) Holdings Co., Ltd.	100.00%	75.00%
SK Networks (Dandong) Energy Co., Ltd. (*8)	China	Petroleum sales	SK Networks (China) Holdings Co., Ltd.	100.00%	100.00%
Cartini Co., Ltd.	Korea	E-commerce retail business	SK Networks Co., Ltd.	100.00%	100.00%
En-core Co., Ltd.	Korea	Service and wholesale and retail	SK Networks Co., Ltd.	93.37%	93.37%
SK Networks Americas LLC (formerly, Hico Capital LLC)	USA	Investment	SK Networks Co., Ltd.	100.00%	100.00%
Hico GP I, LLC	USA	Investment	SK Networks Americas LLC (formerly, Hico Capital LLC)	100.00%	100.00%
Bow-Hico Silicon Valley Fund, LP	USA	Investment	SK Networks Americas LLC (formerly, Hico Capital LLC)	84.96%	84.96%
Hico Ventures I, L.P.	USA	Investment	Bow-Hico Silicon Valley Fund, LP	100.00%	100.00%
Hico Management LLC	USA	Investment	SK Networks Americas LLC (formerly, Hico Capital LLC)	100.00%	100.00%
SK speedmate Co., Ltd.	Korea	Automotive Accessories and Parts	SK Networks Co., Ltd.	100.00%	100.00%
Glowlide Co., Ltd	Korea	Export, Wholesale of Chemical Products	SK Networks Co., Ltd.	100.00%	100.00%
Glowlide (Shanghai) Co., Ltd (formerly, SK Networks (Shanghai) Co., Ltd.)	China	Trading Business	Glowlide Co., Ltd.	100.00%	100.00%
SKC Co., Ltd. (*5)	Korea	Petrochemicals manufacturing	SK Inc.	40.64%	40.64%
Techdream Co., Ltd.	Hong Kong	Semiconductor component	ISC Co., Ltd.	100.00%	100.00%
SK picglobal Co., Ltd.	Korea	PG and PO manufacturing and sales	SKC Co., Ltd.	51.00%	51.00%
SK Nexilis Co., Ltd.	Korea	Manufacturing battery foil and others	SKC Co., Ltd.	100.00%	100.00%
Lumina Mask Co., Ltd.	Korea	Manufacture and sale of semiconductor components and materials	SKC Co., Ltd.	100.00%	-
Nexilis Management Malaysia Sdn. Bhd.	Malaysia	SPC	SK Nexilis Co., Ltd.	100.00%	100.00%
SK Nexilis Malaysia Sdn. Bhd.	Malaysia	Manufacturing of battery foil	Nexilis Management Malaysia Sdn. Bhd.	85.00%	100.00%
SK Nexilis Poland sp.z o.o.	Poland	Manufacturing of battery foil	NEXILIS MANAGEMENT EUROPE B.V.	100.00%	100.00%
NEXILIS MANAGEMENT EUROPE B.V.	Netherlands	SPC	SK Nexilis Co., Ltd.	100.00%	100.00%
SK LEAVEO CO., LTD.	Korea	Manufacturing of biodegradable plastic materials and others	SKC Co., Ltd.	82.42%	77.05%
Ecovance Vietnam Company Limited	Vietnam	Manufacturing of biodegradable plastic materials and others	SK LEAVEO CO., LTD.	97.88%	94.90%
NEX Investment Limited	UK	SPC	SKC Co., Ltd.	80.52%	80.52%
NEX UK Holdings Limited	UK	SPC	NEX Investment Limited	51.00%	51.00%
Absolics Inc.	USA	Manufacture of semiconductor glass substrates	SKC Co., Ltd.	70.05%	70.05%
ISC Co., Ltd. (*5)	Korea	Manufacture and sale of semiconductor test components	SKC Co., Ltd.	45.03%	45.03%
ISC International, Inc.	USA	Sales of semiconductor test solutions	ISC Co., Ltd.	80.00%	80.00%
ISC Vina Manufacturing Company Limited	Vietnam	Manufacture of semiconductor test solution products	ISC Co., Ltd.	100.00%	100.00%
Smart Window Inc., Limited	Hong Kong	Investment	SKC Co., Ltd.	100.00%	100.00%
SK Ecoplant Co., Ltd.	Korea	Construction	SK Inc.	69.05%	64.69%
Seosuwon Development Company (*5)	Korea	Real estate development	SK Ecoplant Co., Ltd.	19.90%	19.90%
SKEC Nanjing Co., Ltd.	China	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
Changzhou SKY New Energy Co., Ltd.	China	Construction	SKEC Nanjing Co., Ltd.	100.00%	100.00%
Jiangsu Sky New Energy Co., Ltd.	China	Investment	SKEC Nanjing Co., Ltd.	100.00%	100.00%
SKEC (Thai), Ltd.	Thailand	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
Thai Woo Ree Engineering Co., Ltd.	Thailand	Construction	SKEC (Thai), Ltd.	99.77%	99.77%
SKEC ANADOLU MUHENDISLIK VE INSAAT LTD. STI.	Türkiye	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
SK Ecoplant Americas Corporation	USA	Fuel cell and construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
HCM002, LLC	USA	Investment	SK Ecoplant Americas Corporation	100.00%	100.00%
HCP002, LLC	USA	Holding Company	SK Ecoplant Americas Corporation	100.00%	100.00%
Mesa Verde RE Ventures, LLC	USA	Real estate development	SK Ecoplant Americas Corporation	100.00%	100.00%
BT FC LLC	USA	Construction	SK Ecoplant Americas Corporation	100.00%	100.00%
KARON 1ST CO., LTD. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
HOLRIDEU 1ST CO., LTD. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
HK Dragon The 2nd Co., Ltd. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
BIWALEE 2ND CO., LTD. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
WALEEWON 1ST CO., LTD. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
WALEEWON 2ND CO., LTD. (*9)	Korea	Other Financial Service	SK Ecoplant Co., Ltd.	-	-
Sunlake Co., Ltd.	Canada	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
SKEC Consultores Ecuador, S.A.	Ecuador	Construction	Sunlake Co., Ltd.	100.00%	100.00%
SK HOLDCO PTE. LTD.	Singapore	Investment	SK Ecoplant Co., Ltd.	63.51%	63.51%
Silvertown Investco Limited	UK	Investment	SK Ecoplant Co., Ltd.	100.00%	100.00%
Seongju Tech Co., Ltd.	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	100.00%	100.00%
KS Investment B.V.	Netherlands	Investment	SK Ecoplant Co., Ltd.	72.51%	72.51%
DongNam Offshore Windfarm Co. Ltd	Korea	Power generation	SK Ecoplant Co., Ltd.	100.00%	100.00%
GANGDONG GREEN COMPLEX	Korea	Disposal of waste	SK Ecoplant Co., Ltd.	78.83%	78.83%
AP Development Co., Ltd.	Korea	Solar power generation	SK Ecoplant Co., Ltd.	100.00%	100.00%
ECOPLANT HOLDING MALAYSIA SDN. BHD.	Malaysia	Holding company	SK Ecoplant Co., Ltd.	100.00%	100.00%
Eco Frontier (Singapore) Pte. Ltd.	Singapore	Investment	SK Ecoplant Co., Ltd.	83.93%	78.63%
Changwon SG Energy Co., Ltd	Korea	Other Power Generation business	SK Ecoplant Co., Ltd.	65.10%	65.10%
SK TES PTE. LTD.	Singapore	E-waste processing industry	Eco Frontier (Singapore) Pte. Ltd	97.14%	97.14%
Tes-Amm (H.K.) Limited	Hong Kong	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes-Amm (Singapore) Pte. Ltd.	Singapore	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes Total Environmental Solution Ab	Sweden	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm Italia Srl	Italy	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm UK Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm Espana Asset Recovery And Recycling, S.L.	Spain	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm SAS	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm Central Europe GmbH	Germany	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%

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Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership <sup>(*)</sup>	
				December 31, 2025	December 31, 2024
Vsl Support Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Technology Supplies International Ltd.	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Goldberg Enterprises Ltd	UK	E-waste processing industry	Technology Supplies International Ltd.	100.00%	100.00%
Tes Consumer Solutions Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Integrations Et Services	France	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes-Amm (Europe) Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Redeem UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Redeem Holdings Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Custom Controllers UK Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Envirofone Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Cash For Tech Ltd	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Stock Must Go Limited	UK	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
TES Netherlands B.V.	Netherlands	E-waste processing industry	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
SK Tes Ireland Limited	Ireland	Non-designated waste collection and transportation business	Tes-Amm Europe Holdings Ltd	100.00%	100.00%
Tes China Holdings Pte. Ltd.	Singapore	Investment	Tes-Amm (Singapore) Pte. Ltd.	100.00%	100.00%
Tes-Amm Corporation (China) Ltd	China	E-waste processing industry	Tes China Holdings Pte. Ltd.	100.00%	100.00%
Shanghai Tes-Amm Xin New Materials Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Tes-Amm (Beijing) Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	80.00%	80.00%
Tes-Amm (Suzhou) E-Waste Solutions Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Tes-Amm (Guangzhou) Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Shanghai Tes-Amm Waste Products Recycle Co., Ltd	China	E-waste processing industry	Tes-Amm Corporation (China) Ltd	100.00%	100.00%
Shanghai Taixiang Network Technology Co., Ltd	China	E-waste processing industry	Shanghai Tes-Amm Waste Products Recycle Co., Ltd	100.00%	100.00%
Tes-Amm Europe Holdings Ltd	UK	Investment	Tes-Amm (Singapore) Pte. Ltd.	100.00%	100.00%
Tes-Amm Australia Pty Ltd	Australia	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes Sustainable Battery Solutions (Australia) Pty Ltd	Australia	E-waste processing industry	Tes-Amm Australia Pty Ltd	100.00%	100.00%
Tes-Amm New Zealand Limited	New Zealand	E-waste processing industry	Tes-Amm Australia Pty Ltd	100.00%	100.00%
Sustainable Product Stewards Pty Ltd	Australia	E-waste processing industry	Tes-Amm Australia Pty Ltd	80.00%	80.00%
Tes-Amm Japan K.K.	Japan	E-waste processing industry	SK TES PTE. LTD.	80.00%	80.00%
Advanced Datacom (Australia) Pty Ltd	Australia	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Green Technology Management Pty Ltd	Australia	E-waste processing industry	Advanced Datacom (Australia) Pty Ltd	100.00%	100.00%
Tes-Amm (Malaysia) Sdn. Bhd.	Malaysia	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes-Amm (Taiwan) Co., Ltd	Taiwan	E-waste processing industry	SK TES PTE. LTD.	70.00%	70.00%
Total Environmental Solutions Co., Ltd.	Thailand	E-waste processing industry	SK TES PTE. LTD.	98.00%	98.00%
Tes-Amm (Cambodia) Co., Ltd.	Cambodia	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Pt. Tes-Amm Indonesia	Indonesia	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes USA, Inc.	USA	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Genplus Pte. Ltd.	Singapore	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes Energy Solutions Pte. Ltd.	Singapore	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
Tes B Pte. Ltd.	Singapore	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
Tes Sustainable Battery Solutions B.V.	Netherlands	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
TES SBS (US) Holdings LLC	USA	Investment	Tes Sustainable Battery Solutions B.V.	100.00%	100.00%
Tes Sustainable Battery Solutions GmbH	Germany	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
TES Sustainable Battery Solutions Limited Liability Company	Hungary	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
TES Sustainable Battery Solutions Nordics AB	Sweden	Non-designated waste disposal business	Tes Energy Solutions Pte. Ltd.	100.00%	100.00%
TES SUSTAINABLE BATTERY SOLUTIONS France	France	E-waste processing industry	Tes Energy Solutions Pte. Ltd.	90.00%	90.00%
Tes Sustainability Products Pte. Ltd.	Singapore	E-waste processing industry	SK TES PTE. LTD.	100.00%	100.00%
TES AX CO., LTD.	Korea	E-waste processing industry	SK TES PTE. LTD.	100.00%	-
Tes C Pte. Ltd.	Singapore	E-waste processing industry	TES SUSTAINABILITY PRODUCTS PTE. LTD.	100.00%	100.00%
TES-AMM (Vietnam) Co., Ltd (*5)	Vietnam	E-waste processing industry	SK TES PTE. LTD.	-	-
SK Oceanplant Co., Ltd. (*5)	Korea	Steel pipe manufacturing	SK Ecoplant Co., Ltd.	35.62%	37.60%
SAM KANG S&C Co., Ltd.	Korea	Shipbuilding industry	SK Oceanplant Co., Ltd.	100.00%	96.60%
Goseong Oceanplant Co., Ltd.	China	Import and Export Business	SK Oceanplant Co., Ltd.	100.00%	100.00%
GOSEONG OCEANPLANT VINA	Vietnam	Import and Export Business	SK Oceanplant Co., Ltd.	100.00%	100.00%
Econovation, LLC	USA	Holding company	SK Ecoplant Co., Ltd.	100.00%	100.00%
Topsun Co., Ltd. (*5)	Korea	Solar modules, battery manufacturing industry	SK Ecoplant Co., Ltd.	19.69%	19.69%
Wind Energy Co., Ltd.	Korea	Wind Power Construction	Topsun Co., Ltd.	100.00%	100.00%
Janggam Solar Co., Ltd.	Korea	Solar Power Construction	Topsun Co., Ltd.	100.00%	100.00%
GoiSolar Co., Ltd.	Korea	Solar Power Construction	Topsun Co., Ltd.	100.00%	100.00%
Top Operation Co., Ltd.	Korea	Wind Power Construction	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.24 Co., Ltd.	Korea	Wind Power Facility Construction	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.3 Co., Ltd.	Korea	Wind Power Generation	Topsun Co., Ltd.	100.00%	100.00%
TS Energy No.9 Co., Ltd.	Korea	Solar Power Generation	Topsun Co., Ltd.	100.00%	100.00%
HamgumiSolar Co., Ltd.	Korea	Solar Power Facility Construction	Topsun Co., Ltd.	100.00%	100.00%
Keumoh Energy Co., Ltd.	Korea	Solar Power Construction	Topsun Co., Ltd.	50.10%	50.10%
Mungyeong Solar Farm Co., Ltd.	Korea	Solar Power Generation	Topsun Co., Ltd.	100.00%	100.00%
Chopo Energy Co., Ltd.	Korea	Solar Power Construction	Topsun Co., Ltd.	99.90%	-
WALEEJELEE ENERGY CO., LTD.	Korea	Construction	Topsun Co., Ltd.	100.00%	-
BISEU ENERGY CO., LTD.	Korea	Construction	Topsun Co., Ltd.	100.00%	-
RI NEW ENERGY CO., LTD.	Korea	Construction	Topsun Co., Ltd.	100.00%	-
SH ENERGY CO., LTD.	Korea	Construction	Topsun Co., Ltd.	100.00%	-
EKO GREEN ENERGY CO.,LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
HAEON ENERGY CO.,LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON1HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON2HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON3HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON4HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON5HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON6HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON7HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON8HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON9HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON10HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON11HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON12HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON13HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON14HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON15HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON16HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON17HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON18HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
SANAEHOTAERYANGGWANGBALJEON19HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-

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**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
SANAEHOTAERYANGGWANGBALJEON20HO CO., LTD.	Korea	Solar power facility	Topsun Co., Ltd.	100.00%	-
TOPSUN POWER LIMITED.	UK	Solar power facility	Topsun Co., Ltd.	100.00%	-
SK ecoengineering Co., Ltd. (*10)	Korea	Construction	SK Ecoplant Co., Ltd.	100.00%	100.00%
HI-TECH AMERICAS CORPORATION	USA	Other Financial Services	SK Ecoplant Co., Ltd.	100.00%	-
Ecoengineering Canada Ltd.	Canada	Construction	SK ecoengineering Co., Ltd.	100.00%	100.00%
ECOENGINEERING AMERICAS CORPORATION	USA	Construction	SK ecoengineering Co., Ltd.	100.00%	-
HI-TECH ENGINEERING PARTNERS LLC	USA	Other Financial Services	SK ecoengineering Co., Ltd.	100.00%	-
Soltzn N Pte. Ltd.	Singapore	Investment	SK Ecoplant Co., Ltd.	100.00%	100.00%
SG (Solar Green) Vina Company Limited	Vietnam	Other power generation business	Soltzn N Pte. Ltd.	100.00%	100.00%
SK Tri Chem Co., Ltd.	Korea	Manufacturing and sales of precursors and others	SK Ecoplant Co., Ltd.	65.00%	65.00%
SK Resonac Corporation	Korea	Sales of raw chemical materials and chemical products related to semiconductor	SK Ecoplant Co., Ltd.	51.00%	51.00%
SK Materials Performance Co., Ltd.	Korea	Semiconductor materials manufacturing and selling	SK Ecoplant Co., Ltd.	100.00%	100.00%
SK Materials JNC Co., Ltd.	Korea	Manufacturing of organic light emitting diode material	SK Ecoplant Co., Ltd.	51.00%	51.00%
SK Aircore Co. LTD	Korea	Computer Systems Integration and Consulting	SK airplus Inc.	100.00%	-
GREEN LAND POWER CO., LTD. (*5)	Korea	Real estate	TS ENERGY NO.9 CO., LTD.	50.00%	-
SK JNC Japan Co., Ltd.	Japan	Manufacturing of organic light emitting diode material	SK Materials JNC Co., Ltd.	100.00%	100.00%
SK Siltron Co., Ltd.	Korea	Silicon wafer for electronic industry manufacturing and sales	SK Inc.	51.00%	51.00%
SK Siltron America, Inc.	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron Japan, Inc.	Japan	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron Shanghai Co., Ltd.	China	Silicon wafer for electronic industry manufacturing and sales	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron USA, Inc.	USA	Investment	SK Siltron Co., Ltd.	100.00%	100.00%
SK Siltron CSS, LLC	USA	Silicon wafer for electronic industry manufacturing and sales	SK Siltron USA, Inc.	100.00%	100.00%
SK Siltron CSS Korea Co., Ltd.	Korea	Wholesale and retail trade	SK Siltron CSS, LLC	100.00%	100.00%
Happyfilling Co., Ltd.	Korea	Service	SK Siltron Co., Ltd.	100.00%	100.00%
Teraon Co., Ltd.	Korea	Manufacturing and service	SK Siltron Co., Ltd.	79.48%	80.40%
SK Biopharmaceuticals Co., Ltd.	Korea	Medicine and life science	SK Inc.	64.02%	64.02%
SK Life Science, Inc.	USA	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
SK Bio-Pharma Tech (Shanghai) Co., Ltd.	China	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
SK Life Science Labs, Inc.	USA	Life science	SK Biopharmaceuticals Co., Ltd.	100.00%	100.00%
Oncopia Therapeutics, Inc.	USA	Development of new drugs	SK Life Science Labs, Inc.	100.00%	-
Essencore Limited	Hong Kong	Manufacturing and distribution of semiconductor modules	Eco Frontier (Singapore) Pte. Ltd	100.00%	100.00%
Essencore (Shenzhen) Limited	China	Computer Systems Integration and Consulting	Essencore Limited	100.00%	100.00%
Essencore Pte. Ltd.	Singapore	Manufacturing and distribution of semiconductor modules	Essencore Limited	100.00%	100.00%
SK Airplus Inc.	Korea	Industrial gas sales	SK Ecoplant Co., Ltd.	100.00%	100.00%
SK China Company, Ltd.	Hong Kong	Consulting and investment	SK Inc.	88.13%	88.13%
SK Property Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%	100.00%
SK Industrial Development China Co., Ltd.	Hong Kong	Investment	SK China Company, Ltd.	100.00%	100.00%
Shanghai SKY Real Estate Development Co., Ltd.	China	Real estate investment	SK Industrial Development China Co., Ltd.	100.00%	100.00%
Beijing Lizhi Weixin Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%	100.00%
SK China Investment Management Co., Ltd.	Hong Kong	Real estate investment	SK China Company, Ltd.	100.00%	100.00%
SK (Liaoning) Logistics Co., Ltd	China	Logistics	SK China Investment Management Co., Ltd.	100.00%	100.00%
SK International Agro-Products Logistics Development Co., Ltd.	Hong Kong	Agriculture product logistics	SK China Investment Management Co., Ltd.	100.00%	100.00%
SK Jinzhou International Agro-Sideline Products Park Co., Ltd.	China	Agriculture product logistics	SK INTERNATIONAL AGRO-PRODUCTS LOGISTICS DEVELOPMENT CO., Ltd.	100.00%	100.00%
SK Jinzhou real estate development Co.,Ltd.	China	Agriculture product logistics	SK Jinzhou International Agro-Sideline Products Park Co., Ltd..	100.00%	100.00%
SK Auto Service Hong Kong Co., Ltd.	Hong Kong	Holding company	SK China Company, Ltd.	100.00%	100.00%
Skyline Auto Financial Leasing Co., Ltd.	Hong Kong	Investment	SK Auto Service Hong Kong Co., Ltd.	100.00%	100.00%
SK (China) Enterprise Management Co., Ltd.	China	Consulting	SK China Company, Ltd.	100.00%	100.00%
SKY Enterprise Management Co., Ltd.	China	Real estate management	SK China Company, Ltd.	100.00%	100.00%
SKY (Zhuhai Hengqin) Technology Co., Ltd.	China	Investment	SK China Company, Ltd.	100.00%	100.00%
SK AX Beijing Co., Ltd.(formerly, SK C&C Beijing Co., Ltd.)	China	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
SK C&C India Pvt. Ltd.	India	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
SK AX USA, Inc.(formerly, SK C&C USA, Inc.)	USA	Consulting for computer system integration and others	SK Inc.	100.00%	100.00%
GigaX Europe kft.	Hungary	Investment	SK AX USA, INC.	100.00%	100.00%
S&G Technology	Saudi Arabia	Consulting for computer system integration and others	SK Inc.	51.00%	51.00%
Saturn Agriculture Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	87.68%	81.00%
SK Investment Management Co., Ltd.	Hong Kong	Investment	SK China Company, Ltd.	100.00%	100.00%
SK Mobility Investments Company Limited	Hong Kong	Investment	SK Investment Management Co., Ltd.	100.00%	100.00%
SK Semiconductor Investments Co., Ltd.	Hong Kong	Investment	SK Investment Management Co., Ltd.	100.00%	100.00%
Gemini Partners Pte. Ltd.	Singapore	Consulting	SK Innovation Co., Ltd	80.00%	80.00%
Solaris Partners Pte. Ltd.	Singapore	Consulting	Gemini Partners Pte. Ltd.	100.00%	100.00%
Solaris GEIF Investment	USA	Investment	Solaris Partners Pte. Ltd.	100.00%	100.00%
SK GI Management	Cayman	Investment	SK Inc.	100.00%	100.00%
Plutus Capital NY, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Hudson Energy NY, LLC	USA	Investment	Plutus Capital NY, Inc.	50.13%	50.13%
Hudson Energy NY II, LLC	USA	Investment	Plutus Capital NY, Inc.	50.00%	50.01%
Hudson Energy NY III, LLC	USA	Investment	Plutus Capital NY, Inc.	50.50%	50.50%
Grove Energy Capital LLC	USA	Investment	Plutus Capital NY, Inc., PRISM Energy International Americas, Inc.	100.00%	100.00%
Grove Energy Capital II, LLC	USA	Investment	Plutus Capital NY, Inc.	100.00%	100.00%
Grove Energy Capital III, LLC	USA	Investment	Plutus Capital NY, Inc.	50.10%	50.10%
SK South East Asia Investment Pte. Ltd.	Singapore	Investment	SK Innovation Co., Ltd	80.00%	80.00%
SK Investment Vina I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%

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**1. Corporate information (cont'd)**

Subsidiaries	Domicile	Principal business activity	The largest shareholders	Equity ownership (*1)	
				December 31, 2025	December 31, 2024
SK Investment Vina II Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	50.01%
SK Investment Vina III Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
MSN Investment Pte. Ltd.	Singapore	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Imexpharm Corporation (*8)	Vietnam	Pharmaceutical manufacturing	SK Investment Vina III Pte. Ltd.	64.81%	64.81%
Linh Nam Ventures JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Lien Khuong Internationals JSC	Vietnam	Investment	Linh Nam Ventures JSC	100.00%	100.00%
Dong Kinh Capital JSC	Vietnam	Investment	Lien Khuong Internationals JSC	100.00%	100.00%
Lac Son Investment JSC	Vietnam	Investment	Dong Kinh Capital JSC	100.00%	100.00%
KBA Investment Joint Stock Company	Vietnam	Investment	Lac Son Investment JSC	100.00%	100.00%
Cong Thang Alpha JSC	Vietnam	Investment	SK Investment Vina III Pte. Ltd.	100.00%	100.00%
Eastern Vision Investment JSC	Vietnam	Investment	Cong Thang Alpha JSC	100.00%	100.00%
Truong Luu Chi Invest JSC	Vietnam	Investment	Eastern Vision Investment JSC	100.00%	100.00%
An Nam Phu Investment JSC	Vietnam	Investment	Truong Luu Chi Invest JSC	100.00%	100.00%
Zion Son Kim JSC	Vietnam	Investment	An Nam Phu Investment JSC	100.00%	100.00%
Sunrise Kim Investment Joint Stock Company	Vietnam	Investment	Zion Son Kim JSC	100.00%	100.00%
SK Investment Vina VI Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SK Investment Vina IV Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SK Malaysia Investment I Pte. Ltd.	Singapore	Investment	SK South East Asia Investment Pte. Ltd.	100.00%	100.00%
SK Pharmteco Inc. (*11)	USA	Investment	SK Inc.	100.00%	100.00%
SK Biotek Co., Ltd.	Korea	Drug medicine	SK Pharmteco Inc.	100.00%	100.00%
SK BIOTEK IRELAND LIMITED	Ireland	Pharmaceutical manufacturing	SK Pharmteco Inc.	100.00%	100.00%
Crest Acquisition LLC	USA	Investment	SK Pharmteco Inc.	100.00%	100.00%
Center For Breakthrough Medicines Holdings, LLC	USA	Medicine manufacturing	Crest Acquisition LLC	58.32%	58.30%
Center For Breakthrough Medicines, LLC	USA	Medicine manufacturing	Center For Breakthrough Medicines Holdings, LLC	100.00%	100.00%
Yposkesi, SAS	France	Medicine production	Crest Acquisition LLC	82.70%	82.70%
Abrasax Investment Inc.	USA	Investment	SK Pharmteco Inc.	100.00%	100.00%
Fine Chemicals Holdings Corp.	USA	Investment	Abrasax Investment Inc.	100.00%	100.00%
AMPAC Fine Chemicals, LLC	USA	Drug medicine	Fine Chemicals Holdings Corp.	100.00%	100.00%
AMPAC Fine Chemicals Texas, LLC	USA	Drug medicine	AMPAC Fine Chemicals, LLC	100.00%	100.00%
Golden Pearl EV Solutions Limited	Hong Kong	Investment	SK Inc.	100.00%	100.00%
Socar Mobility Malaysia, Sdn. Bhd. (*12)	Malaysia	Car sharing service	SK Inc.	93.74%	93.74%
Future Mobility Solutions Sdn. Bhd.	Malaysia	Online brokerage services for car rental	Socar Mobility Malaysia, Sdn. Bhd.	100.00%	100.00%
Einstein Cayman Limited	Cayman	Investment	SK Inc.	100.00%	100.00%
I Cube Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
I Cube Capital Hong Kong 1. LP Limited	Hong Kong	Investment	I Cube Capital Inc.	100.00%	100.00%
Tellus Investment Partners, Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Primerio Protein LLC	USA	Investment	Tellus Investment Partners, Inc.	67.26%	67.26%
Terra Investment Partners LLC	USA	Investment	Tellus Investment Partners, Inc.	82.70%	82.70%
Terra Investment Partners II, LLC	USA	Investment	Tellus Investment Partners, Inc.	100.00%	100.00%
Castanea Biosciences Inc.	USA	Investment	SK Inc.	100.00%	100.00%
SK Forest Co., Ltd.	Korea	Landscaping and planting business	SK Inc.	100.00%	100.00%
TIMOR HOLDINGS LTD. (*13)	Korea	Greenhouse gas (carbon emission rights) sales business and others	SK Forest Co., Ltd	90.90%	90.90%
Hweechan Co., Ltd.	Korea	Condo, resort operation	SK Inc.	100.00%	100.00%
SK Pinx Co., Ltd.	Korea	Golf club operating	Hweechan Co., Ltd.	100.00%	100.00%
SK REITs Management Co., Ltd.	Korea	Real estate developing and trading	SK Inc.	100.00%	100.00%
Roca Capital Inc.	Japan	Investment	SK Inc.	100.00%	100.00%
SK Signet Inc. (*14)	Korea	Electric vehicle charger manufacturing and selling	SK Inc.	58.20%	-
SK Signet America Inc.	USA	Electric vehicle charger maintenance and technical support	SK Signet Inc.	100.00%	100.00%
SK SIGNET MANUFACTURING TEXAS LLC.	USA	Motor, generator and electrical conversion equipment manufacturing industry	SK Signet America Inc.	100.00%	100.00%
Auxo Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Tellus (HONG KONG) Investment Co., Ltd.	Hong Kong	Investment	SK Inc.	100.00%	100.00%
Digital Center Capital Inc.	USA	Investment	SK Inc.	100.00%	100.00%
Martis Capital, LLC	USA	Investment	Digital Center Capital Inc.	100.00%	100.00%
Energy Solution Group, Inc.	USA	Investment	SK Inc., SK Energy Co., Ltd.	100.00%	100.00%
Kinestral Technology Taiwan Inc.	USA	Discolored glass manufacturing	Halio, Inc.	96.00%	96.00%
Ackerton Technology Service Co., Ltd. (*15)	Korea	Computer Programming and IT Operation	SK Inc.	50.00%	50.00%
MiraiTech Inc.	Korea	Investment	SK Inc.	100.00%	100.00%
Planeta Pte. Ltd. (*16)	Singapore	SPC	SK Inc., Prism Energy International Pte. Ltd.	76.94%	76.94%

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

(\*2) The Group holds a call option to acquire the joint participant's shares in the event of a deadlock, and it has been determined that this option constitutes a valid potential voting right, thereby holding control over the subsidiary.

(\*3) According to shareholder agreements, the Group holds either a casting vote in case of a tie on key related activities or a call option to acquire the joint participant's shares during a deadlock. Through these rights, it possesses voting rights or valid potential voting rights over key related activities and thus is deemed to have control over the subsidiary.

(\*4) During the current period, due to an increase in potential shareholding from acquiring call options, the classification was changed to investment in subsidiaries, and the shareholding decreased from 13.47% to 13.19% following the exercise of convertible bonds by existing shareholders.

(\*5) The Group has substantive control over SK Networks Co., Ltd. and 10 other companies. The consolidated entity determined that it has less than a majority of voting rights for the above companies, but that the consolidated entity has significantly more voting rights than other voting rights holders or organized groups of voting rights holders, and that other shareholders are widely distributed,

(\*6) Although the Group's equity interests for common stock in Onestore Co., Ltd. are 45.80%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 55.50%.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**1. Corporate information (cont'd)**

- (\*7) Although the Group's equity interests for common stock in Tmap Mobility Co., Ltd. is 63.23%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 60.09%.
- (\*8) The assets and liabilities of the subsidiary SK Stoa Co., Ltd. and 10 other companies are classified into assets held for sale and related liabilities, respectively (see Note 36 'Discontinued operations, assets held for sale and related liabilities').
- (\*9) Although there is no ownership interest, the entity is included in the consolidation scope considering contractual arrangements and exposure to variable returns.
- (\*10) Although the Group's equity interests for common stock in SK ecoengineering Co., Ltd. is 100%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 55.60%.
- (\*11) Although the Group's equity interests for common stock in SK Pharmteco Inc. is 100%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 86.55%.
- (\*12) Although the Group's equity interests for common stock in Socar Mobility Malaysia, Sdn. Bhd. is 93.74%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 66.19%.
- (\*13) Although the Group's equity interests for common stock in TIMOR HOLDINGS LTD. is 90.90%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 50.00%.
- (\*14) Although the Group's equity interests for common stock in SK Signet Inc. is 58.20%, as the convertible preferred stocks with voting rights are issued, the equity interests with voting rights are 66.71%.
- (\*15) It has been classified as an investment in subsidiaries as control can be exercised due to conditions for acquisition of shares in deadlock.
- (\*16) Although the Group's equity interests for common stock in Planeta Pte. Ltd. is 76.94%, as the preferred stocks with voting rights are issued, the equity interests with voting rights are 66.66%.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

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**1. Corporate information (cont'd)**

**(3) Changes in consolidated subsidiaries**

1) Changes in the consolidated subsidiaries for the year ended December 31, 2025 are as follows:

December 31, 2024	Inclusion	Exclusion	December 31, 2025
649	60	132	577

2) For the year ended December 31, 2025, subsidiaries newly included in consolidation are as follows:

Subsidiaries	Reasons for changes
Earthon North Ketapang Pte. Ltd. ISEMI Co., Ltd. KCE AZ 1, LLC KCE NM 2, LLC NAMUHX AMERICAS INC. WALEEWON 1ST CO., LTD. ELLEEDI 1ST CO., LTD. WALEEWON 2ND CO., LTD. EO SERPANG PTE. LTD. EO BINAIYA PTE. LTD. WALEEJELEE ENERGY CO., LTD. BIESEU ENERGY CO., LTD. RI NEW ENERGY CO., LTD. ESEUELEECHI ENERGY CO., LTD. HI-TECH AMERICAS CORPORATION ECOENGINEERING AMERICAS CORPORATION HI-TECH ENGINEERING PARTNERS LLC Ark2, LLC KCE ID 7, LLC KCE AZ 3, LLC KCE AZ 2, LLC KCE Project Holdings, LLC Jinzhou Shikai Real Estate Co., Ltd. Happy NAMUH Company Limited SANAEHOTAERYANGGWANGBALJEON1HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON2HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON3HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON4HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON5HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON6HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON7HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON8HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON9HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON10HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON11HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON12HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON13HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON14HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON15HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON16HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON17HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON18HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON19HO CO., LTD. SANAEHOTAERYANGGWANGBALJEON20HO CO., LTD. KCE NV 4, LLC TES AX CO., LTD.	Establishment (53 companies)

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**1. Corporate information (cont'd)**

Subsidiaries	Reasons for changes
HAEON ENERGY CO., LTD.	
EKO GREEN ENERGY CO., LTD.	
SK aircore Co. LTD	
Lumina Mask Co., Ltd.	
Pledgor 2025 NY LC Facility, LLC	
Borrower 2025 NY LC Facility, LLC	
Forest AI Investment	
TOPSUN POWER LIMITED	
BOOM LOW FARM SOLAR LIMITED	
TES-AMM (Vietnam) Co., Ltd.	
Yuilrobotics. Co., Ltd.	
Chopo Energy Co., Ltd.	
GREEN LAND POWER CO., LTD.	
Oncopia Therapeutics, Inc.	
	Acquisition (7 companies)

3) For the year ended December 31, 2025, subsidiaries excluded from consolidation are as follows:

Subsidiaries	Reasons for changes
ROKMEDIA	
Iriver Enterprise Ltd.	
Iriver CHINA CO., LTD.	
Dongguan iriver Electronics Co., Ltd.	
Nate Communications Co., Ltd. (formerly, SK Communications CO., Ltd.)	
SK M & Service Co., Ltd.	
SK Specialty Co., Ltd.	
Dangjin Haengbok Solar Co., Ltd.	
Happy Companion Co., Ltd.	
SK Specialty Shanghai Co., Ltd.	
SK Specialty Taiwan Co., Ltd.	
SK Specialty Jiangsu Co., Ltd.	
SK Specialty Xian Co., Ltd.	
SK Specialty Japan Co., Ltd.	
SK MATERIALS JAPAN, INC.	
SK powertech, Inc.	
GOOD SERVICE CO., LTD.	
Seoul Airport Limousine Co., Ltd.	
id Quantique SA	
ID Quantique Limited	
ID Quantique Limited, UK	
ID Quantique Inc, USA	
Infracommunications Co., Ltd.	
Nutshell Quantum-Safe GmbH (formerly, Id Quantique Europe GmbH)	
Alice und Bob Privatstiftung	
goodsFLOW co., Ltd.	
H Solution Co., Ltd.	
Ultimus Co., Ltd.	
MOBILITY SOLUTION I INC.	
MOBILITY SOLUTION II INC.	
	Disposal (88 companies)

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**1. Corporate information (cont'd)**

Subsidiaries	Reasons for changes
EVERCHARGE, INC.	
Evercharge Services, LLC	
SK materials Group14 Co., Ltd.	
SK Networks (Xiamen) Steel Processing Center Co., Ltd.	
Tillandsia, Inc.	
Chamaedorea, Inc.	
Areca, Inc.	
8 Rivers Europe Ltd.	
8 Rivers Services, LLC	
Broadwing Company C, LLC	
Broadwing Holdings, LLC	
Coyote Clean Power, LLC	
Coyote Company C, LLC	
Coyote Power Holdings, LLC	
Crossbill Clean Energy Ltd.	
Meadowlark Company C, LLC	
Meadowlark Energy , LLC	
Meadowlark Energy HoldCo, LLC	
Meadowlark Holdings, LLC	
NPEH, LLC	
ParkIntuit, LLC	
Zero Degrees Crossbill Dev. Ltd.	
Zero Degrees International, Inc.	
Zero Degrees Rosella Pty. Ltd.	
Zero Degrees Whitetail 1, Ltd.	
Zero Degrees Whitetail Dev. Ltd.	
Zero Degrees, LLC	
Cormorant Clean Energy, LLC	
8 Rivers Capital, LLC	
Jinzhou Shikai Real Estate Co., Ltd	
Renewenergy Chungbuk Co., Ltd.	
Renewland Singyeongju Co., Ltd.	
Renewenergy Chungnam Co., Ltd.	
Renewenergy Saehan Co., Ltd.	
Renewenergy Jeonnam Co., Ltd.	
Renewenergy Metro Co., Ltd.	
Renewenergy Green Co., Ltd.	
Renewenergy Daewon Co., Ltd.	
Renewland Cheongju Co., Ltd.	
RenewOne Co., Ltd.	
Renewcon Daewon Co., Ltd.	
Renewlogis Co., Ltd.	
RenewUs Co., Ltd.	
Renew Liquid Seonam Co., Ltd.	
Renew Liquid Honam Co., Ltd.	
Renewenergy Chungcheong Co., Ltd.	
Renewenergy Gyeonggi Co., Ltd.	
Renewenergy Gyeongbuk Co., Ltd.	
Renewenergy Gyeongin Co., Ltd.	

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

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**1. Corporate information (cont'd)**

Subsidiaries	Reasons for changes
Renewland Gyeongju Co., Ltd.	
Green Hwasun Inc.	
Gyeongsan Pure Water Co. Ltd.	
Dalsung Clean Waterway Co., Ltd.	
Gokseong Environment Co., Ltd.	
Renewlogis Industry Co., Ltd.	
Dreamus Company Co., Ltd.	
LIFE DESIGN COMPANY INC.	
BOOM LOW FARM SOLAR LIMITED	
ELLEEDI 1ST CO., LTD.	Loss of control (5 companies)
IPC First Securitization Specialty Company	
DS 1ST CO., LTD.	
MISAN 1ST CO., LTD.	
WALEEALEE 1ST CO., LTD.	
Fajar Energy International Pte. Ltd	Liquidation (31 companies)
Hua Lei Holdings Pte. Ltd.	
Green & Co. Asia Ltd.	
SK Terminal B.V.	
SK Geo Centric Brazil LTDA	
KCE MI 3, LLC	
KCE OK 3, LLC	
SK Materials Group14 (Shanghai) Co., Ltd.	
Green Sunchang Co., Ltd.	
TES ESS PTE. LTD.	
SMATECH INC.	
SK Energy Road Investment Co., Ltd.	
SK Geo Centric High Performance Product (Zhejiang) Co., Ltd.	
SK Saran Americas LLC	
ISC JAPAN R&D Center	
ENPULSE America Co., Ltd.	
SK Latin America Investment, S.A., Halio, Inc.	
Freedom Circle Capital, INC	
Montague ESG Capital, LLC	
SK C&C Chengdu Co., Ltd.	
SPX GI HOLDINGS PTE. LTD.	
SPX VINA I PTE. LTD.	
SKY Property Management Limited Ltd.	
Tianjin SK Car Rental Co., Ltd.	
SK Planet Global Holdings Pte. Ltd.	
YTK Investment Ltd.	
SKC PU Specialty Co., Ltd.	
Auxo Capital Managers LLC	
Route on Quebec Ltd.	
SK Global Development Advisors LLC	
SK enterm Co., Ltd.	
Evertech Enterprise Co., LTD.	Merger (8 companies)
ITMTC CO., LTD.	
LOGISOFT CO., LTD.	
SK S.E.ASIA Pte. Ltd.	
SK Enpulse Co., Ltd.	
ISEMI Co., Ltd.	
SK Enmove Co., Ltd.	

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**1. Corporate information (cont'd)**

**(4) Condensed financial information of significant consolidated subsidiaries**

Details of condensed financial information of the significant subsidiaries as of and for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

Subsidiaries	December 31, 2025					
	Assets	Liabilities	Equity	Sales	Net income (loss)	
SK Innovation Co., Ltd.	₩ 39,714,546	₩ 13,305,707	₩ 26,408,839	₩ 4,850,905	₩ 2,706,782	
SK Energy Co., Ltd.	16,297,448	11,764,447	4,533,001	39,150,420	(180,058)	
SK Geo Centric Co., Ltd.	6,357,796	3,966,339	2,391,457	9,897,570	(608,280)	
SK Geo Centric International Trading (Shanghai) Co., Ltd.	153,832	99,682	54,150	1,559,985	9,329	
SK Geo Centric Singapore Pte., Ltd.	203,026	171,421	31,605	1,104,726	(150)	
SK Incheon Petrochem Co., Ltd.	7,287,813	4,403,435	2,884,378	9,381,962	(158,854)	
SK Energy International Pte., Ltd.	3,414,654	2,206,047	1,208,607	33,927,949	179,295	
SK Energy Europe, Ltd.	426,326	265,948	160,378	4,539,288	23,751	
SK Energy Americas, Inc.	1,482,784	1,373,944	108,840	10,100,287	38,601	
SK ie technology Co., Ltd.	2,589,660	613,768	1,975,892	175,346	(168,243)	
SK Hi-tech Battery Materials Poland Sp. Zo.o.	2,884,333	892,800	1,991,533	158,517	40,596	
SK On Co., Ltd.	27,225,864	10,352,580	16,873,284	4,457,418	(1,526,853)	
SK ON Hungary Kft.	5,407,927	3,860,109	1,547,818	1,680,992	(483,602)	
SK ON(Jiangsu) Co., Ltd.	1,604,855	429,132	1,175,723	1,324,091	47,704	
SK Battery America, Inc.	10,280,342	6,666,481	3,613,861	3,486,744	314,630	
BlueOval SK, LLC	17,309,724	12,031,915	5,277,809	21,107	(4,481,960)	
SK Battery Manufacturing Kft.	2,235,860	1,810,727	425,133	1,140,172	(2,908)	
SK Innovation America, Inc.	4,120,992	35,444	4,085,548	-	(23,340)	
Ko-one Energy Service Co., Ltd.	1,191,895	609,543	582,352	1,430,863	251,187	
Narae Energy Service Co., Ltd.	2,937,482	604,142	2,333,340	942,033	86,265	
Busan City Gas Co., Ltd.	764,882	390,731	374,151	1,234,300	32,572	
Paju Energy Service Co., Ltd.	1,507,979	764,313	743,666	1,521,927	76,629	
Yeosu Energy Service Co., Ltd.	2,198,587	239,025	1,959,562	899,007	88,332	
PRISM Energy International Australia	3,559,825	1,349,982	2,209,843	-	(11,595)	
PRISM Energy International Americas, Inc.	4,939,299	3,947	4,935,352	8,332	(5,142)	
LNG Americas, Inc.	1,315,443	151,214	1,164,229	1,274,129	91,899	
Passkey, Inc.	2,849,668	64,315	2,785,353	-	(516,682)	
Prism Energy International Pte. Ltd.	2,655,538	1,166,778	1,488,760	4,974,305	59,432	
E&S City Gas Co., Ltd.	3,808,737	359	3,808,378	125,498	179,161	
SK Telecom Co., Ltd.	25,148,736	13,157,686	11,991,050	12,051,068	410,795	
SK Broadband Co., Ltd.	6,824,041	4,011,668	2,812,373	4,540,603	141,489	
PS&Marketing Corp.	454,512	210,013	244,499	1,383,335	13,748	
SK Square Co., Ltd.	6,598,414	314,393	6,284,021	357,572	(105,572)	
SK Networks Co., Ltd.	3,348,444	1,550,576	1,797,868	4,343,362	42,879	
SKC Co., Ltd.	2,543,599	1,439,519	1,104,080	25,121	(742,534)	
SK PIC Global Co., Ltd.	767,215	458,038	309,177	1,091,179	41,849	
SK Nexilis Co., Ltd.	2,285,328	1,621,309	664,019	357,769	(449,383)	
SK Ecoplant Co., Ltd.	12,569,017	8,359,857	4,209,160	7,489,598	13,008	
Eco Frontier (Singapore) Pte. Ltd. (*1)	3,185,749	2,127,025	1,058,724	2,596,506	(166,035)	
ESSENCORE Limited (*1)	1,577,302	1,090,837	486,465	1,931,293	192,608	
SK China Company, Ltd.	3,838,962	123,225	3,715,737	-	(22,443)	
SK South East Asia Investment Pte. Ltd. (*1)	1,977,918	74,016	1,903,902	132,567	4,188	
SK Biopharmaceuticals Co., Ltd. (*1)	1,198,309	372,039	826,270	706,741	253,254	
SK Siltron Co., Ltd. (*1)	5,594,810	3,661,379	1,933,431	2,057,486	(293,620)	
SK Pharmteco Inc. (*1)	2,473,004	2,295,078	177,926	933,278	(482,299)	

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

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**1. Corporate information (cont'd)**

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

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

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**1. Corporate information (cont'd)**

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

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

	December 31, 2025					
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK Ecoplant Co., Ltd.
Percentage of the non-controlling ownership	47.53%	69.17%	67.81%	49.93%	54.83%	31.84%
Current assets	₩ 42,795,276	₩ 6,727,130	₩ 2,255,464	₩ 1,834,729	₩ 1,779,269	₩ 9,399,332
Non-current assets	62,813,205	23,380,653	28,249,082	3,206,063	4,961,231	8,609,439
Current liabilities	41,057,102	6,529,775	974,637	1,784,897	2,437,829	9,049,464
Non-current liabilities	28,159,884	10,622,716	1,546,746	1,230,264	2,276,936	2,791,606
Net assets	36,391,495	12,955,292	27,983,163	2,025,631	2,025,735	6,167,701
Book value of the non-controlling interests	24,153,121	7,399,393	19,116,299	970,501	1,845,242	3,266,865
Sales	80,296,054	17,099,213	1,411,521	6,745,127	1,840,037	12,191,569
Net income (loss)	(5,436,441)	375,084	8,818,695	49,981	(719,361)	23,149
Other comprehensive net income (loss)	(501,453)	1,529,834	61,806	(22,023)	92,076	113,215
Total comprehensive income (loss)	(5,937,894)	1,904,918	8,880,501	27,958	(627,285)	136,364
Net income of the non-controlling interests	(3,508,777)	146,438	5,960,719	20,649	(402,598)	(46,938)
Total comprehensive income (loss) of the non-controlling interests	(3,748,767)	1,177,944	6,004,476	9,212	(346,353)	(13,780)
Net cash flows from operating activities	2,283,053	3,923,847	387,202	222,288	(567,576)	208,669
Net cash flows from investing activities	(4,285,449)	(1,737,109)	29,594	75,097	292,181	2,000,706
Net cash flows from financing activities	2,345,657	(2,711,763)	(419,292)	(301,234)	630,739	(937,640)
Net increase (decrease) in cash and cash equivalents	343,261	(525,025)	(2,496)	(3,849)	355,344	1,271,735
Dividends paid to the non-controlling interests	(597,553)	(470,198)	(1,800)	(24,223)	(8,845)	(53,976)

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

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**1. Corporate information (cont'd)**

	December 31, 2024					
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd.	SK Networks Co., Ltd.	SKC Co., Ltd.	SK Ecoplant Co., Ltd.
Percentage of the non-controlling ownership	43.23%	69.15%	68.13%	49.93%	54.82%	36.26%
Current assets	₩ 36,318,432	₩ 7,476,682	₩ 2,702,773	₩ 2,006,679	₩ 1,520,452	₩ 7,047,862
Non-current assets	74,211,666	23,038,573	19,218,278	3,150,450	5,228,227	9,807,794
Current liabilities	37,725,576	9,224,278	1,396,345	1,964,539	2,211,035	9,470,151
Non-current liabilities	33,155,613	9,463,343	939,291	1,139,281	2,244,911	2,324,297
Net assets	39,648,909	11,827,634	19,585,415	2,053,309	2,292,733	5,061,208
Book value of the non-controlling interests	24,509,672	6,766,639	13,432,093	993,608	1,799,483	2,405,948
Sales	74,269,647	17,940,609	1,649,858	7,657,281	1,717,924	8,734,562
Net income (loss)	(2,372,483)	1,387,095	3,650,515	46,292	(455,056)	(95,856)
Other comprehensive net income (loss)	3,388,172	160,776	257,077	(37,528)	223,565	77,369
Total comprehensive income (loss)	1,015,689	1,547,871	3,907,592	8,764	(231,491)	(18,487)
Net income of the non-controlling interests	(1,375,375)	940,687	2,464,482	40,033	(227,160)	2,268
Total comprehensive income (loss) of the non-controlling interests	794,019	963,037	2,635,227	17,847	(100,940)	80,896
Net cash flows from operating activities	2,232,521	5,087,285	189,954	276,387	(199,715)	143,213
Net cash flows from investing activities	(7,295,310)	(2,711,827)	89,738	546,441	16,663	(12,422)
Net cash flows from financing activities	7,327,061	(1,809,853)	(200,713)	(737,534)	(2,061)	333,061
Net increase (decrease) in cash and cash equivalents	2,264,272	565,605	78,979	85,294	(185,113)	463,852
Dividends paid to the non-controlling interests	(313,664)	(571,851)	(2,388)	(31,172)	(2,616)	(55,934)

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

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

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

The accompanying consolidated financial statements are stated in Korean won, the currency of the country in which the Company is incorporated and operates. The translation of Korean won amounts into U.S. dollar amounts is included solely for the convenience of readers of the financial statements and has been made at the rate of ₩1,434.9 to USD 1.00, the basic exchange rate in the Seoul Money Brokerage Service for cable transfers in Korean won on the last business day of the year ended December 31, 2025. Such translations into U.S. dollar should not be construed as representations that the Korean won amounts could be converted into U.S. dollar at that or any other rate.

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

### **(1) Basis of preparation**

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

The material accounting policies used for the preparation of the accompanying consolidated financial statements have been consistently applied for all periods except for adoption of new and revised K-IFRSs applied in 2025, which are summarized below.

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

The accompanying consolidated financial statements were approved at the Company's Board of Directors meeting on February 10, 2026.

### **1) New and amended standards and interpretations**

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2025.

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

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

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

### **2) Standards issued but not yet effective**

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

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

K-IFRS 1109 *Financial Instruments* and K-IFRS 1107 *Financial Instruments: Disclosures* have been amended to address recent questions raised in practice, and to include new requirements. The amendments are effective for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments to this standard have no significant impact on financial statements. The key amendments are as follows:

- Allow financial liabilities to be considered settled (removed) through the electronic payment system prior to the payment date if certain criteria are met;
- Clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Introduce new disclosures requirements regarding the impact on the entity and the extent of its exposure for each type of financial instrument when the timing or amount of contractual cash flows changes due to amendment of contract terms; and
- Update disclosures requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

#### **Annual Improvements to K-IFRS Volume 11**

Annual Improvements to K-IFRS *Volume 11* should be applied for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments do not have a significant impact on the financial statements.

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

#### **Amendments to K-IFRS No. 1109 *Financial Instruments*, K-IFRS No. 1107 *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity***

The amendments define contracts referencing nature-dependent electricity in which a company is exposed to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (e.g. the weather), and clarify that 'contracts for purchasing or selling nature-dependent electricity' are subject to own-use exemption. In addition, the amendments revise the hedging accounting requirements to permit the designation of a 'variable nominal volume' of 'forecasted sales or purchases of electricity' as the 'hedged item', and related disclosures have been added. The amendments are effective for annual periods beginning on or after January 1, 2026, and earlier application is permitted. The amendments do not have a significant impact on the financial statements.

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

### **Enactments to K-IFRS No. 1118 *Presentation and Disclosure in Financial Statements***

K-IFRS 1118 *Presentation and Disclosure in Financial Statements* replaces K-IFRS 1001 *Presentation of Financial Statements* and introduces new requirements aimed at enhancing comparability of financial performance among similar companies and providing users with more relevant information. Although it does not affect the recognition or measurement of Balance Sheet, it is expected to have a broad impact on presentation and disclosure, including the income statement and the disclosure of 'management-defined performance measures.

These enactments are effective for annual periods beginning on or after January 1, 2027, with early adoption permitted. According to the transition requirements, comparative information for the annual period ending December 31, 2026, is restated in accordance with K-IFRS 1118.

Management is currently reviewing the impact of applying the new standards on the Group's consolidated financial statements. While adopting the standards will not affect the Group's net income, it is expected to have impacts on how to calculate and report operating profit by classifying income and expenses into new categories in the income statement.

### **(2) Basis of consolidation**

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

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

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

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

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

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

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

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

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

### **(3) Business combinations**

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

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

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

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

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

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

### **(4) Functional currencies and foreign currencies**

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

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

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

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

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

### **(5) Cash and cash equivalents**

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

### **(6) Financial assets**

#### **1) Measurement**

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

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

### **2) Impairment**

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

### **3) Recognition and derecognition**

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

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

### **4) Offsetting of financial instruments**

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

### **(7) Inventories**

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

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

### **(8) Investments in associates and joint ventures**

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

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

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

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

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

### **(9) Interests in joint operations**

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

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

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

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

### **(10) Property, plant and equipment**

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

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

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

### **(11) Investment properties**

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

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

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

### **(12) Goodwill**

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

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

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

### **(13) Intangible assets**

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

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

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

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

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

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

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

**1) Expenditures for exploration and evaluation**

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

**2) Oil-producing fields**

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

**(14) Government grants**

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

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

**(15) Leases**

**1) The Group as a lessee**

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

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

### **A. Right-of-use assets**

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

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

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

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

### **B. Lease liabilities**

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

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

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

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

## **2) The Group as a lessor**

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

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

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

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

**(16) Non-current assets held for sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sales rather than through continuing use.

Once non-current assets are classified as held for sale, or while they form part of disposal groups classified as held for sale, the assets are not depreciated (or amortised), and any equity-accounted investee is no longer equity accounted.

**(17) Discontinued operation**

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and other comprehensive income. Additional disclosures are provided in Note 36. All other notes to the financial statements include amounts for continuing operations, unless otherwise mentioned.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

**(18) Financial liabilities and equity instruments**

**1) Financial liabilities**

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

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

### **2) Financial guarantee contracts**

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

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

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

### **3) Derecognition of financial liabilities**

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

### **4) Equity instruments**

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

### **5) Compound instruments**

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

### **(19) Retirement benefit costs**

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

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

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

### **(20) Share-based payment arrangements**

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

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

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

### **(21) Provision**

#### **1) Provision for warranties**

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

#### **2) Provision for installment of handset subsidies**

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

#### **3) Provision for service/construction warranties**

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

#### **4) Provision for restoration**

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

#### **5) Provision for onerous contracts**

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

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

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

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

### **A. Greenhouse gas emission rights**

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

### **B. Emission liabilities**

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

## **(22) Derivative financial instruments**

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

### **1) Fair value hedges**

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

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

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

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

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

### **2) Cash flow hedges**

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

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

### **(23) Revenue recognition**

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

#### **1) Sale of goods**

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

#### **2) Rendering of services**

The Group provides services such as construction contracts and system implementation services. For construction contracts and system implementation services, revenue is recognized over time at the rate of progress under the input method because the assets created as the Group performs its obligations have no alternative use to the Group, and be the Group has an enforceable right to payment for performance completed to date.

For other service arrangements, the Group is obliged to provide the related services to the customer over the contract period. Accordingly, the transaction price allocated to the performance obligation is recognized as revenue over the period when the services are provided.

#### **3) Commissions**

When the Group acts as an agent rather than as the principal in a transaction, it recognizes revenue at the net amount of commission to which it is entitled.

#### **4) Rental income and others**

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

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

### **5) Contract assets and liabilities**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group transfers goods or renders services to a customer before the customer pays consideration or before payment is due, the Group recognizes a contract asset for the consideration earned but subject to conditions other than the passage of time.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has already received consideration (or for which consideration is due). When a customer pays consideration before the Group transfers goods or renders services to the customer, the Group recognizes a contract liability at the earlier of the payment date or the date the payment becomes due. Contract liabilities are recognized as revenue when the Group satisfies the related performance obligations under the contract.

### **(24) Finance income and costs**

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

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

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

### **(25) Income tax**

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

## **3. Significant accounting judgments, estimates and assumptions**

When preparing the consolidated financial statements, management is required to make judgments, estimates and assumptions that affect the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

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

### **(1) Impairment of non-financial assets**

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

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

**(2) Fair value measurement of financial assets**

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

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

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

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

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

**(5) Defined benefit plan**

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

**(6) Deferred tax assets**

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

**4. Operating segments**

**(1) Overview of operating segments**

The Group identifies its operating segments based on the internal reports that are periodically reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segments and to assess their performance. As of December 31, 2025, the principal activities of each operating segment are as follows:

Operating segments	Business
SK Innovation Co., Ltd.	Petroleum refining, chemical, lubricating oil, battery, resources development and gas and energy
SK Telecom Co., Ltd.	Wireless and fixed line 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 materials
SK Ecoplant Co., Ltd.	Construction and eco-friendly business
Others	IT services, special gas manufacturing and sale, medicine and Life science and others

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**4. Operating segments (cont'd)**

(2) Details of financial information for each operating segment as of and for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	As of and for the year ended December 31, 2025				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 81,014,683	₩ 17,099,213	₩ 10,455,553	₩ 6,745,127	₩ 1,840,037
Internal sales	(799,365)	(127,811)	(9,438,763)	(1,118,532)	(227,086)
Net sales and other operating income	80,215,318	16,971,402	1,016,790	5,626,595	1,612,951
Net income (loss)	(5,436,441)	375,084	8,818,696	49,980	(719,361)
Total assets	105,608,481	30,107,783	30,504,546	5,040,792	6,740,500
Total liabilities	69,216,986	17,152,491	2,521,383	3,015,161	4,714,765
Depreciation	2,872,722	2,786,988	51,666	135,917	143,155
Amortization	370,256	803,229	31,172	24,454	43,577

	As of and for the year ended December 31, 2025			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
Sales and other operating income	₩ 12,191,569	₩ 8,231,344	₩ (14,155,559)	₩ 123,421,967
Internal sales	(455,524)	(1,988,478)	14,155,559	-
Net sales and other operating income	11,736,045	6,242,866	-	123,421,967
Net income (loss)	23,149	697,577	(253,438)	3,555,246
Total assets	18,008,771	45,574,355	(28,065,560)	213,519,668
Total liabilities	11,841,070	19,616,126	(249,649)	127,828,333
Depreciation	182,334	515,389	(56,059)	6,632,112
Amortization	129,299	95,889	165,125	1,663,001

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

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

	As of and for the year ended December 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
Sales and other operating income	₩ 74,562,005	₩ 17,940,609	₩ 5,881,719	₩ 7,657,281	₩ 1,717,923
Internal sales	(1,086,118)	(171,079)	(4,597,179)	(1,156,578)	(141,296)
Net sales and other operating income	73,475,887	17,769,530	1,284,540	6,500,703	1,576,627
Net income (loss)	(2,372,483)	1,387,095	3,650,515	46,292	(455,056)
Total assets	110,530,098	30,515,255	21,921,051	5,157,128	6,748,679
Total liabilities	70,881,189	18,687,621	2,335,636	3,103,820	4,455,946
Depreciation	2,124,635	2,856,512	63,044	430,083	130,805
Amortization	329,925	843,378	40,585	28,735	45,628

	As of and for the year ended December 31, 2024			
	SK Ecoplant Co., Ltd.	Others (*3)	Consolidation adjustments (*2)	Total
Sales and other operating income	₩ 8,734,563	₩ 19,074,820	₩ (11,876,893)	₩ 123,692,027
Internal sales	(1,410,941)	(3,313,702)	11,876,893	-
Net sales and other operating income	7,323,622	15,761,118	-	123,692,027
Net income (loss)	(95,856)	(2,220,555)	588,858	528,810
Total assets	16,855,656	58,965,505	(35,715,618)	214,977,754
Total liabilities	11,794,448	27,000,636	(3,569,078)	134,690,218
Depreciation	175,356	655,276	94,915	6,530,626
Amortization	160,409	109,638	294,964	1,853,262

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

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

(\*3) During 2024, the SK E&S segment was merged into the SK Innovation segment. Accordingly, financial information relating to the gas and power generation business (formerly part of the SK E&S segment) is presented under 'Others' for the period up to the merger date.

Except for transactions with related parties mentioned in Note 35, there are no customers accounting for 10% or more of the consolidated sales of the Group for the year ended December 31, 2025.

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**4. Operating segments (cont'd)**

(3) Details of financial information by geographical location as of and for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	As of and for the year ended December 31, 2025						
	Korea	Asia	Europe	North America	Others	Consolidation Adjustments (*1)	Total
Total sales and other operating income	₩ 143,151,079	₩ 47,580,357	₩ 10,568,071	₩ 17,862,761	₩ 28,653	₩ (95,768,954)	₩ 123,421,967
Operating profit (loss)	5,659,119	214,455	145,004	(261,591)	(20,793)	(3,917,718)	1,818,476
Profit (loss) from continuing operations before income tax expense	1,635,948	140,780	(636,135)	(4,642,890)	(9,488)	6,148,777	2,636,992
Profit (loss) for the year from continuing operations	1,694,294	29,276	(637,525)	(4,687,982)	(5,993)	5,963,753	2,355,823
Total assets	236,322,538	28,646,186	15,983,268	61,182,106	4,323,178	(132,937,608)	213,519,668
Total liabilities	104,092,430	10,468,657	8,248,855	26,675,658	1,844,949	(23,502,216)	127,828,333

(\*1) Consolidation adjustments including consolidation adjustments of each subsidiary

	As of and for the year ended December 31, 2024						
	Korea	Asia	Europe	North America	Others	Consolidation Adjustments (*1)	Total
Total sales and other operating income	₩ 152,797,739	₩ 50,187,421	₩ 8,968,544	₩ 15,018,041	₩ 42,867	₩ (103,322,585)	₩ 123,692,027
Operating profit (loss)	5,835,805	209,086	109,446	(1,082,765)	(34,848)	(2,640,722)	2,396,002
Profit (loss) from continuing operations before income tax expense	1,661,207	145,008	(36,665)	(3,002,448)	(3,885)	2,565,670	1,328,887
Profit (loss) for the year from continuing operations	1,309,072	77,696	(76,342)	(2,988,565)	(3,543)	2,241,002	559,320
Total assets	233,784,670	28,718,496	16,748,781	63,357,745	3,652,962	(131,284,900)	214,977,754
Total liabilities	114,015,581	10,928,299	8,983,008	22,336,882	1,091,967	(22,665,519)	134,690,218

(\*1) Consolidation adjustments including consolidation adjustments of each subsidiary

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

	As of and for the year ended December 31, 2025				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 81,014,683	₩ 17,099,213	₩ 10,455,553	₩ 6,745,127	₩ 1,840,037
2. Revenue from contracts with customers	79,579,953	17,099,213	1,411,521	6,251,182	1,834,626
Categories:					
Service sales	274,780	15,622,712	1,040,677	754,386	-
Finished goods sales	70,068,949	-	6,894	21,708	1,708,034
Merchandise sales	7,896,218	1,120,944	118,120	5,461,280	71,394
Other sales	1,340,006	355,557	245,830	13,808	55,198
	79,579,953	17,099,213	1,411,521	6,251,182	1,834,626
Timing of revenue recognition:					
Recognition at a point in time	79,251,808	1,446,361	446,594	5,497,009	1,813,921
Recognition over a period of time	328,145	15,652,852	964,927	754,173	20,705
	79,579,953	17,099,213	1,411,521	6,251,182	1,834,626
3. Revenue from other sources	716,101	-	9,044,032	493,945	5,411
4. Other operating income (*3)	718,629	-	-	-	-

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**4. Operating segments (cont'd)**

	As of and for the year ended December 31, 2025			
	SK Ecoplant Co., Ltd.	Others	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 12,191,569	₩ 8,231,344	₩ (14,155,559)	₩ 123,421,967
2. Revenue from contracts with customers	12,131,627	8,790,492	(4,594,711)	122,503,903
Categories:				
Service sales	9,692,996	4,428,464	(2,655,456)	29,158,559
Finished goods sales	-	4,845,033	(802,034)	75,848,584
Merchandise sales	2,378,777	(1,079,822)	(985,666)	14,981,245
Other sales	59,854	596,817	(151,555)	2,515,515
	12,131,627	8,790,492	(4,594,711)	122,503,903
Timing of revenue recognition:				
Recognition at a point in time	2,318,835	4,510,071	(1,939,254)	93,345,345
Recognition over a period of time	9,812,792	4,280,421	(2,655,457)	29,158,558
	12,131,627	8,790,492	(4,594,711)	122,503,903
3. Revenue from other sources	59,942	(559,148)	(9,560,848)	199,435
4. Other operating income (*3)	-	-	-	718,629

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

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

(\*3) SK Innovation Co., Ltd., a subsidiary, is eligible for tax credits for on battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit provisions of the U.S. Inflation Reduction Act, effective January 1, 2023. Companies eligible for the Advanced Manufacturing Production Tax Credit may elect either (i) to claim the credit through a statutory credit mechanism (including the ability to transfer the credit to a third party), or (ii) to receive a direct payment for any credit amount that remains after offsetting applicable tax liabilities. The amount presented represents the amount expected to be received, as SK Innovation Co., Ltd. has elected to transfer its statutory credit rights.

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**4. Operating segments (cont'd)**

	As of and for the year ended December 31, 2024				
	SK Innovation Co., Ltd.	SK Telecom Co., Ltd.	SK Square Co., Ltd. (*1)	SK Networks Co., Ltd.	SKC Co., Ltd.
1. Sales and other operating income	₩ 74,562,005	₩ 17,940,609	₩ 5,881,719	₩ 7,657,281	₩ 1,717,923
2. Revenue from contracts with customers	73,768,766	17,940,609	1,649,858	7,174,085	1,714,620
Categories:					
Service sales	364,056	16,246,116	1,230,099	740,388	-
Finished goods sales	69,062,623	-	38,235	69,639	1,611,502
Merchandise sales	2,902,927	1,147,509	207,056	6,348,737	41,057
Other sales	1,439,160	546,984	174,468	15,321	62,061
	73,768,766	17,940,609	1,649,858	7,174,085	1,714,620
Timing of revenue recognition:					
Recognition at a point in time	73,404,710	1,616,027	486,378	6,435,043	1,688,648
Recognition over a period of time	364,056	16,324,582	1,163,480	739,042	25,972
	73,768,766	17,940,609	1,649,858	7,174,085	1,714,620
3. Revenue from other sources	500,881	-	4,231,861	483,196	3,303
4. Other operating income (*3)	292,358	-	-	-	-

	As of and for the year ended December 31, 2024			
	SK Ecoplant Co., Ltd.	Others (*4)	Consolidation adjustments (*2)	Total
1. Sales and other operating income	₩ 8,734,563	₩ 19,074,819	₩ (11,876,892)	₩ 123,692,027
2. Revenue from contracts with customers	8,675,595	18,847,406	(6,710,555)	123,060,384
Categories:				
Service sales	8,003,759	4,238,987	(3,693,911)	27,129,494
Finished goods sales	-	9,284,826	(1,642,759)	78,424,066
Merchandise sales	650,285	4,749,874	(1,115,218)	14,932,227
Other sales	21,551	573,719	(258,667)	2,574,597
	8,675,595	18,847,406	(6,710,555)	123,060,384
Timing of revenue recognition:				
Recognition at a point in time	523,925	14,792,804	(2,641,760)	96,305,775
Recognition over a period of time	8,151,670	4,054,602	(4,068,795)	26,754,609
	8,675,595	18,847,406	(6,710,555)	123,060,384
3. Revenue from other sources	58,968	227,413	(5,166,337)	339,285
4. Other operating income (*3)	-	-	-	292,358

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

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

(\*3) SK Innovation Co., Ltd., a subsidiary, is eligible for tax credits on battery cells and modules produced and sold in the U.S. under the Advanced Manufacturing Production Tax Credit provisions of the U.S. Inflation Reduction Act, effective January 1, 2023. Companies eligible for the Advanced Manufacturing Production Tax Credit may elect either (i) to claim the credit through a statutory credit mechanism (including the ability to transfer the credit to a third party), or (ii) to receive a direct payment for any credit amount that remains after offsetting applicable tax liabilities. The amount presented represents the amount expected to be received, as SK Innovation Co., Ltd. has elected to transfer its statutory credit rights.

(\*4) During 2024, the SK E&S segment was merged into the SK Innovation segment. Accordingly, financial information relating to the gas and power generation business (formerly part of the SK E&S segment) is presented under 'Others' for the period up to the merger date.

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

### (1) Acquisitions of significant subsidiaries

There were no significant acquisitions of subsidiary interests for the year ended December 31, 2025 (See Note 43).

### (2) Other significant equity transactions

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

BlueOval SK, LLC, a subsidiary of the Group, carried out a paid-in capital increase and a capital reduction for the year ended December 31, 2025. As a result, the non-controlling interest of the consolidated entity decreased by ₩970,965 million.

#### 2) Issuance and Redemption of hybrid bond by SK Innovation Co., Ltd. and SKC Co., Ltd.

SK Innovation Co., Ltd. and SKC Co., Ltd., subsidiaries of the Group, issued and redeemed hybrid bond for the year ended December 31, 2025. As a result, the non-controlling interests of the consolidated entity increased by ₩935,576 million.

#### 3) Capital Increases of SK On Co., Ltd. and SK ie technology Co., Ltd. and Execution of Price Return Swap(PRS) Contracts by SK Innovation Co., Ltd.

During the year ended December 31, 2025, SK Innovation Co., Ltd., a subsidiary of the Group, entered into Price Return Swap(PRS) contracts with financial investors in relation to newly issued shares of SK On Co., Ltd. and SK ie technology Co., Ltd., under which differences arising from share price movements are settled between the parties in accordance with predetermined contractual terms. As a result, equity attributable to owners of the parent increased by ₩450,894 million, while non-controlling interests increased by ₩1,622,726 million.

#### 4) Issuance of Convertible Preferred Stock by Narae Energy Service Co., Ltd. and Yeosu Energy Service Co., Ltd.

During the year ended December 31, 2025, Narae Energy Service Co., Ltd. and Yeosu Energy Service Co., Ltd., subsidiaries of the Group, issued convertible preferred stock. As a result, non-controlling interests increased by ₩2,969,432 million.

#### 5) Purchase of Non-controlling Interests in SK On Co., Ltd. and Former SK Enmove Co., Ltd. by SK Innovation Co., Ltd.

During the year ended December 31, 2025, SK Innovation Co., Ltd., a subsidiary of the Group, acquired Class 1 convertible preferred shares of SK On Co., Ltd. and ordinary shares of former SK Enmove Co., Ltd. As a result, equity attributable to owners of the parent decreased by ₩1,177,820 million, while non-controlling interests decreased by ₩2,369,707 million.

#### 6) Redemption of Redeemable Preferred Stock by SK Investment Vina II Pte. Ltd.

During the year ended December 31, 2025, SK Investment Vina II Pte. Ltd., a subsidiary of the Group, redeemed a portion of its redeemable preferred stock. As a result, equity attributable to owners of the parent decreased by ₩37,826 million, while non-controlling interests decreased by ₩692,801 million.

#### 7) Capital Increase of SK Innovation Co., Ltd. and Execution of Price Return Swap(PRS) Contracts by SK Inc.

During the year ended December 31, 2025, SK Inc., the parent, entered Price Return Swap(PRS) contracts with financial investors in relation to newly issued shares of SK Innovation Co., Ltd., a subsidiary of the Group, under which differences arising from share price movements are settled between the parties in accordance with predetermined contractual terms. As a result, equity attributable to owners of the parent decreased by ₩447,542 million, while non-controlling interests increased by ₩1,802,423 million.

**5. Acquisitions and disposals of subsidiaries and non-controlling interests (cont'd)**

8) Issuance of Redeemable Convertible Preferred Stock by SK Airplus Inc.

During the year ended December 31, 2025, SK Airplus Inc., a subsidiary of the Group, issued redeemable convertible preferred stock. As a result, non-controlling interests increased by ₩1,300,668 million.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**6. Financial instruments**

**(1) Financial assets**

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

	December 31, 2025				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
<b>Current assets:</b>					
Cash and cash equivalents	₩ 5,441,209	₩ -	₩ 19,772,923	₩ -	₩ 25,214,132
Short-term financial instruments	416,251	-	3,032,793	-	3,449,044
Trade receivables (*1)	53,891	202,599	11,931,936	-	12,188,426
Other receivables (*2)	189,966	21,611	1,812,290	-	2,023,867
Short-term loans	-	-	126,800	-	126,800
Accrued income	-	-	241,724	-	241,724
Short-term investment securities	55,726	-	170	-	55,896
Guarantee deposits	-	-	302,402	-	302,402
Derivative financial assets	282,796	-	-	182,053	464,849
Lease receivables	-	-	34,160	-	34,160
	<u>₩ 6,439,839</u>	<u>₩ 224,210</u>	<u>₩ 37,255,198</u>	<u>₩ 182,053</u>	<u>₩ 44,101,300</u>
<b>Non-current assets:</b>					
Long-term financial instruments	₩ 782	₩ -	₩ 151,147	₩ -	₩ 151,929
Long-term trade receivables	-	-	683,981	-	683,981
Long-term other receivables	50,852	-	619,093	-	669,945
Long-term loans	-	-	761,081	-	761,081
Long-term accrued income	-	-	39,891	-	39,891
Long-term investment securities	1,690,751	5,865,571	714	-	7,557,036
Long-term guarantee deposits	-	-	645,298	-	645,298
Derivative financial assets	573,873	-	-	327,173	901,046
Lease receivables	-	-	54,244	-	54,244
	<u>₩ 2,316,258</u>	<u>₩ 5,865,571</u>	<u>₩ 2,955,449</u>	<u>₩ 327,173</u>	<u>₩ 11,464,451</u>
	<u>₩ 8,756,097</u>	<u>₩ 6,089,781</u>	<u>₩ 40,210,647</u>	<u>₩ 509,226</u>	<u>₩ 55,565,751</u>

(\*1) Contract assets (unbilled receivables) amounting to ₩944,992 million as of December 31, 2025 are not included in the financial assets.

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

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

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

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

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

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**6. Financial instruments (cont'd)**

**(2) Financial liabilities**

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

	December 31, 2025				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
<b>Current liabilities:</b>					
Short-term borrowings	₩ -	₩ 11,714,166	₩ -	₩ -	₩ 11,714,166
Trade payables	38,812	13,044,501	-	-	13,083,313
Other payables (*1)	16,430	7,912,358	-	-	7,928,788
Current portion of long-term debt	-	14,940,580	-	-	14,940,580
Accrued expenses (*1)	17,000	3,110,128	-	-	3,127,128
Dividends payable	-	13,446	-	-	13,446
Deposits received	-	46,803	-	-	46,803
Leasehold deposits received	-	860,020	-	-	860,020
Derivative financial liabilities	513,629	-	55,395	-	569,024
Lease liabilities	-	-	-	1,131,042	1,131,042
Finance guarantee liabilities	-	-	-	48,701	48,701
Financial liabilities at fair value through profit or loss	9,971	-	-	-	9,971
Advances received	-	66,065	-	-	66,065
	<u>₩ 595,842</u>	<u>₩ 51,708,067</u>	<u>₩ 55,395</u>	<u>₩ 1,179,743</u>	<u>₩ 53,539,047</u>
<b>Non-current liabilities:</b>					
Bonds and long-term borrowings	₩ -	₩ 45,546,013	₩ -	₩ -	₩ 45,546,013
Long-term other payables (*1)	54,932	437,895	-	-	492,827
Long-term accrued expenses (*1)	-	757	-	-	757
Leasehold deposits received	-	133,994	-	-	133,994
Derivative financial liabilities	1,324,901	-	16,551	-	1,341,452
Long-term lease liabilities	-	-	-	3,811,742	3,811,742
Financial liabilities at fair value through profit or loss	859,795	-	-	-	859,795
	<u>₩ 2,239,628</u>	<u>₩ 46,118,659</u>	<u>₩ 16,551</u>	<u>₩ 3,811,742</u>	<u>₩ 52,186,580</u>
	<u>₩ 2,835,470</u>	<u>₩ 97,826,726</u>	<u>₩ 71,946</u>	<u>₩ 4,991,485</u>	<u>₩ 105,725,627</u>

(\*1) The amount of accrued liabilities under the employee benefit system, stock option and tax-related amounts are excluded as it is not subject to financial instruments disclosure.

**SK Inc. and its subsidiaries**  
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**December 31, 2025 and 2024**

**6. Financial instruments (cont'd)**

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

(\*1) The amount of accrued liabilities under the employee benefit system, stock option and tax-related amounts are excluded as it is not subject to financial instruments disclosure.

(\*2) The amount includes redeemable convertible preferred shares were of ₩253,701 million issued by the subsidiary, Econovation, LLC, and the Group has entered into an agreement with Blooming Green Energy, the purchaser of the shares. Under the terms of the agreement, once certain conditions are met after March 24, 2025, and Blooming Green Energy becomes able to dispose of the corresponding equity interest it holds, it may exercise the redemption right on the redeemable convertible preferred shares. As a result, there is a risk that liability could be redeemed within 12 months after the reporting period.

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

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

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

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

<u>Affiliate Group</u>	<u>Payment term range</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
SK Innovation Group	Supplier Financing Financial Liabilities	30 to 180 days from invoice issuance 25 to 94 days from implementation of securitization	29 to 182 days from invoice issuance 28 to 183 days from implementation of securitization
	Trade Payables Not Under Supplier Financing	30 to 120 days from invoice issuance	30 to 120 days from invoice issuance
SK ecoplant Group	Supplier Financing Financial Liabilities	Average of 25 days from invoice issuance 30 to 180 days from invoice issuance 60 days from tax invoice issuance	Average of 25 days from invoice issuance 30 to 180 days from invoice issuance 60 days from tax invoice issuance
	Trade Payables Not Under Supplier Financing	17 to 60 days from invoice issuance 17 to 25 days from tax invoice issuance	30 to 60 days from invoice issuance 17 to 25 days from tax invoice issuance
SKC Group	Supplier Financing Financial Liabilities	2 to 6 months after payment	3 to 6 months after payment
	Trade Payables Not Under Supplier Financing	Within the payment due date	Within the payment due date
SK networks Group	Supplier Financing Financial Liabilities	Approximately 60 days from invoice issuance	Approximately 60 days from invoice issuance
	Trade Payables Not Under Supplier Financing	30 to 39 days from invoice issuance	30 to 39 days from invoice issuance
SK Telecom Group	Supplier Financing Financial Liabilities	5 to 15 days from tax invoice issuance	5 to 15 days from tax invoice issuance
	Trade Payables Not Under Supplier Financing	10 to 20 days from tax invoice issuance	10 to 20 days from tax invoice issuance
SK Square Group	Supplier Financing Financial Liabilities	90 days from invoice issuance	90 days from invoice issuance
	Trade Payables Not Under Supplier Financing	90 days from invoice issuance	90 days from invoice issuance
SK Siltron Group	Supplier Financing Financial Liabilities	10 to 90 days from tax invoice issuance	10 to 90 days from tax invoice issuance
	Trade Payables Not Under Supplier Financing	15 to 120 days from tax invoice issuance	15 to 120 days from tax invoice issuance

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Carrying amount of liabilities under supplier financing arrangements	₩ 4,867,730	₩ 5,704,604
Amount already paid by financial institutions to suppliers	4,156,766	4,247,630

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

There were no significant business combinations or foreign exchange differences that affected the liabilities under supplier financing arrangements. There were non-cash changes of ₩15,944,377 million and ₩8,413,650 million related to these liabilities for the years ended December 31, 2025 and 2024, respectively.

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

**(3) Gain and loss by category of financial instruments**

Details of gain and loss by category of financial instruments for the years ended in December 31, 2025 and 2024 are as follows (Korean won in millions):

Financial assets:	For the year ended December 31, 2025				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Profit or loss:					
Interest income (expense)	₩ 304,860	₩ 20,402	₩ 540,447	₩ -	₩ 865,709
Gain (loss) on derivatives	1,718,706	-	-	94,103	1,812,809
Gain (loss) on foreign currency	(8,345)	(1,231)	(65,439)	1,070	(73,945)
Others	562,357	63,430	(342,750)	-	283,037
	<u>₩ 2,577,578</u>	<u>₩ 82,601</u>	<u>₩ 132,258</u>	<u>₩ 95,173</u>	<u>₩ 2,887,610</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ 1,373,516	₩ -	₩ -	₩ 1,373,516
Gain (loss) on derivatives	-	-	-	(13,748)	(13,748)
	<u>₩ -</u>	<u>₩ 1,373,516</u>	<u>₩ -</u>	<u>₩ (13,748)</u>	<u>₩ 1,359,768</u>
	<u>₩ 2,577,578</u>	<u>₩ 1,456,117</u>	<u>₩ 132,258</u>	<u>₩ 81,425</u>	<u>₩ 4,247,378</u>
Financial liabilities:	For the year ended December 31, 2025				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Others	Total
Profit or loss:					
Interest income (expense)	₩ -	₩ (2,861,065)	₩ -	₩ (213,985)	₩ (3,075,050)
Gain (loss) on derivatives	(2,912,093)	-	(265,461)	-	(3,177,554)
Gain (loss) on foreign currency	196	339,705	(262)	22,322	361,961
Others	(243,347)	(60,181)	-	(11,521)	(315,049)
	<u>₩ (3,155,244)</u>	<u>₩ (2,581,541)</u>	<u>₩ (265,723)</u>	<u>₩ (203,184)</u>	<u>₩ (6,205,692)</u>
Other comprehensive income (loss):					
Gain (loss) on investment securities	₩ -	₩ -	₩ -	₩ -	₩ -
Gain (loss) on derivatives	-	-	13,723	-	13,723
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 13,723</u>	<u>₩ -</u>	<u>₩ 13,723</u>
	<u>₩ (3,155,244)</u>	<u>₩ (2,581,541)</u>	<u>₩ (252,000)</u>	<u>₩ (203,184)</u>	<u>₩ (6,191,969)</u>

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

Financial assets:	For the year ended December 31, 2024				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
<b>Profit or loss:</b>					
Interest income (expense)	₩ 235,249	₩ 60,798	₩ 663,353	₩ -	₩ 959,400
Gain (loss) on derivatives	1,677,799	-	-	330,837	2,008,636
Gain (loss) on foreign currency	(1,577)	13	1,134,918	(59)	1,133,295
Others	229,561	19,440	(18,951)	-	230,050
	<u>₩ 2,141,032</u>	<u>₩ 80,251</u>	<u>₩ 1,779,320</u>	<u>₩ 330,778</u>	<u>₩ 4,331,381</u>
<b>Other comprehensive income (loss):</b>					
Gain (loss) on investment securities	₩ -	₩ (517,026)	₩ -	₩ -	₩ (517,026)
Gain (loss) on derivatives	-	-	-	(159,831)	(159,831)
	<u>₩ -</u>	<u>₩ (517,026)</u>	<u>₩ -</u>	<u>₩ (159,831)</u>	<u>₩ (676,857)</u>
	<u>₩ 2,141,032</u>	<u>₩ (436,775)</u>	<u>₩ 1,779,320</u>	<u>₩ 170,947</u>	<u>₩ 3,654,524</u>
<b>Financial liabilities:</b>	For the year ended December 31, 2024				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Others	Total
<b>Profit or loss:</b>					
Interest income (expense)	₩ (4,681)	₩ (3,469,709)	₩ -	₩ (164,479)	₩ (3,638,869)
Gain (loss) on derivatives	(2,103,613)	-	(124,401)	-	(2,228,014)
Gain (loss) on foreign currency	3,967	(1,600,856)	(24)	1,524	(1,595,389)
Others	11,403	(180,639)	-	-	(169,236)
	<u>₩ (2,092,924)</u>	<u>₩ (5,251,204)</u>	<u>₩ (124,425)</u>	<u>₩ (162,955)</u>	<u>₩ (7,631,508)</u>
<b>Other comprehensive income (loss):</b>					
Gain (loss) on investment securities	₩ -	₩ -	₩ -	₩ -	₩ -
Gain (loss) on derivatives	-	-	175,418	-	175,418
	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 175,418</u>	<u>₩ -</u>	<u>₩ 175,418</u>
	<u>₩ (2,092,924)</u>	<u>₩ (5,251,204)</u>	<u>₩ 50,993</u>	<u>₩ (162,955)</u>	<u>₩ (7,456,090)</u>

**SK Inc. and its subsidiaries**  
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**December 31, 2025 and 2024**

**7. Fair value measurement of financial instruments**

(1) Fair values and book values of the Group's financial instruments as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025		December 31, 2024	
	Book value	Fair value	Book value	Fair value
Bonds	₩ 34,672,401	₩ 34,766,531	₩ 33,965,304	₩ 34,112,560
Borrowings	37,528,358	37,802,006	48,899,307	48,432,111

The fair value of bonds and borrowings is calculated as the present value of contractual cash flows discounted at a market interest rate, which reflects the remaining risk, with discount rates ranging from 2.44% ~ 6.51%. For financial assets and liabilities measured at amortized cost, the carrying amount is a reasonable approximation of fair value, and thus, separate fair value disclosures have been omitted.

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

Classification	Significance of input variables
Level 1	Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2	Valuation techniques using observable inputs other than quoted prices included in Level 1, either directly or indirectly
Level 3	Valuation techniques using unobservable inputs for the assets or liabilities

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

	December 31, 2025				
	Book value	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>					
Financial assets measured at FVTPL	₩ 7,899,428	₩ 118,087	₩ 6,242,909	₩ 1,538,432	₩ 7,899,428
Financial assets measured at FVOCI	6,089,781	1,977,807	420,387	3,691,587	6,089,781
Derivative financial assets	1,365,895	-	689,048	676,847	1,365,895
	<u>₩ 15,355,104</u>	<u>₩ 2,095,894</u>	<u>₩ 7,352,344</u>	<u>₩ 5,906,866</u>	<u>₩ 15,355,104</u>
<b>Financial liabilities:</b>					
Financial liabilities measured at FVTPL	₩ 979,940	₩ -	₩ 44,791	₩ 935,149	₩ 979,940
Derivative financial liabilities	1,910,476	-	224,036	1,686,440	1,910,476
	<u>₩ 2,890,416</u>	<u>₩ -</u>	<u>₩ 268,827</u>	<u>₩ 2,621,589</u>	<u>₩ 2,890,416</u>
	December 31, 2024				
	Book value	Level 1	Level 2	Level 3	Total
<b>Financial assets:</b>					
Financial assets measured at FVTPL	₩ 8,792,900	₩ 200,844	₩ 7,088,987	₩ 1,503,069	₩ 8,792,900
Financial assets measured at FVOCI	5,302,857	2,420,342	271,069	2,611,446	5,302,857
Derivative financial assets	2,333,763	5,991	1,046,400	1,281,372	2,333,763
	<u>₩ 16,429,520</u>	<u>₩ 2,627,177</u>	<u>₩ 8,406,456</u>	<u>₩ 5,395,887</u>	<u>₩ 16,429,520</u>
<b>Financial liabilities:</b>					
Financial liabilities measured at FVTPL	₩ 1,580,703	₩ -	₩ 376,867	₩ 1,203,836	₩ 1,580,703
Derivative financial liabilities	1,805,873	-	263,571	1,542,302	1,805,873
	<u>₩ 3,386,576</u>	<u>₩ -</u>	<u>₩ 640,438</u>	<u>₩ 2,746,138</u>	<u>₩ 3,386,576</u>

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

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**7. Fair value measurement of financial instruments (cont'd)**

(4) Changes in Level 3 financial assets for the years ended December 31, 2025 and 2024 are as follows  
(Korean won in millions):

	For the year ended December 31, 2025						
	Beginning balance	Profit or loss	Other comprehensive income (loss)	Acquisitions	Disposals	Others	Ending Balance
Financial assets:							
Financial assets measured at FVTPL	₩ 1,503,069	₩ (181,489)	₩ -	₩ 248,618	₩ (144,074)	₩ 112,308	₩ 1,538,432
Financial assets measured at FVOCI	2,611,446	-	831,133	99,872	(1,142,364)	1,291,500	3,691,587
Derivative financial assets	1,281,372	(580,620)	12,312	-	(11,802)	(24,415)	676,847
	<u>₩ 5,395,887</u>	<u>₩ (762,109)</u>	<u>₩ 843,445</u>	<u>₩ 348,490</u>	<u>₩ (1,298,240)</u>	<u>₩ 1,379,393</u>	<u>₩ 5,906,866</u>
Financial liabilities:							
Financial liabilities measured at FVTPL	₩ 1,203,836	₩ 23,983	₩ -	₩ 55,560	₩ (376,203)	₩ 27,973	₩ 935,149
Derivative financial liabilities	1,542,302	759,014	-	584,016	(1,003,590)	(195,302)	1,686,440
	<u>₩ 2,746,138</u>	<u>₩ 782,997</u>	<u>₩ -</u>	<u>₩ 639,576</u>	<u>₩ (1,379,793)</u>	<u>₩ (167,329)</u>	<u>₩ 2,621,589</u>
	For the year ended December 31, 2024						
	Beginning balance	Profit or loss	Other comprehensive income (loss)	Acquisitions	Disposals	Others	Ending Balance
Financial assets:							
Financial assets measured at FVTPL	₩ 1,759,682	₩ 261,490	₩ -	₩ 231,562	₩ (232,841)	₩ (516,824)	₩ 1,503,069
Financial assets measured at FVOCI	2,970,738	-	(250,762)	80,209	(863,678)	674,939	2,611,446
Derivative financial assets	927,844	245,705	-	-	(1,937)	109,760	1,281,372
	<u>₩ 5,658,264</u>	<u>₩ 507,195</u>	<u>₩ (250,762)</u>	<u>₩ 311,771</u>	<u>₩ (1,098,456)</u>	<u>₩ 267,875</u>	<u>₩ 5,395,887</u>
Financial liabilities:							
Financial liabilities measured at FVTPL	₩ 608,640	₩ (80,752)	₩ -	₩ 234,997	₩ (122)	₩ 441,073	₩ 1,203,836
Derivative financial liabilities	1,093,444	118,133	-	125,893	-	204,832	1,542,302
	<u>₩ 1,702,084</u>	<u>₩ 37,381</u>	<u>₩ -</u>	<u>₩ 360,890</u>	<u>₩ (122)</u>	<u>₩ 645,905</u>	<u>₩ 2,746,138</u>

## **7. Fair value measurement of financial instruments (cont'd)**

### (5) Valuation techniques and inputs

The description of financial instruments using fair value measurements, which is classified as Level 2 or Level 3 by the Group, and the valuation techniques and inputs used to measure the fair value of those financial instruments as of December 31, 2025 and 2024 are as follows:

#### 1) Currency forward and currency swap

The fair value of the currency forward and the currency swap was measured in principle based on the forward exchange rate disclosed in the market as of December 31, 2025 for the period consistent with the remaining period of the currency swap. In case the forward exchange rate for a period consistent with the remaining period of the currency forward and the currency swap is not disclosed in the market, the forward exchange was measured by estimating the forward exchange rate for a period similar to the remaining period of the currency swap by applying interpolation to each period. The discount rate used to measure the fair value of the currency forward and the currency swap was determined using the yield curve derived from the rate quoted in the market as of December 31, 2025.

#### 2) Commodity swap

In principle, the fair value of the commodity swap was measured on the basis of the spot transaction price disclosed in the market as of December 31, 2025 for the period consistent with the remaining period of the spot swap being measured. In addition, the discount rate used to measure the fair value of the spot swap was determined using the yield curve derived from the rate quoted in the market as of December 31, 2025.

#### 3) Interest rate swap

The fair value of the interest rate swap was measured, in principle, based on the interest rate swap rate disclosed in the market as of December 31, 2025 for the period corresponding to the remaining period of the interest rate swap being measured. If the interest rate swap for a period corresponding to the remaining period of the interest rate swap being measured is not disclosed in the market, the interest rate swap rate was measured by estimating the interest rate swap rate for a period similar to the remaining period of the interest rate swap by applying interpolation for each period.

#### 4) Debt securities

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

#### 5) Unlisted stocks

The fair value of unlisted equity instruments is measured using the discounted cash flow (DCF) model, market multiples method, precedent transactions method, comparable company analysis, and net asset value method. Under the discounted cash flow model, certain inputs used to estimate future cash flows, such as revenue growth rates, pre-tax operating margins, and the weighted average cost of capital, include assumptions and estimates that are not based on observable market prices or rates. The weighted average cost of capital used to discount the future cash flows was determined by applying the Capital Asset Pricing Model (CAPM). The market multiples method was applied using the most recent issuance price to third parties as of the reporting date, based on historical transaction values. The precedent transactions method was also applied using the most recent issuance price to third parties as of the reporting date, based on historical transaction values. For the comparable company analysis, the valuation is performed by selecting comparable companies based on the financial information of the entity being valued; accordingly, judgment may be involved in the selection of comparable companies. The net asset value method determines the value of the investee based on the net assets, calculated as total assets less total liabilities, and is measured based on financial statements prepared in accordance with applicable accounting standards.

## **7. Fair value measurement of financial instruments (cont'd)**

### **6) Total return swap agreement**

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

### **7) Put options and Call options**

The fair value of options is measured using the Binomial Tree Model and the Lattice Model. These models divide the life of an option into multiple time steps and assume that the price of the underlying asset will move up or down at each step based on its volatility. The option value is then derived through backward induction using a tree structure. Certain inputs, such as the value of the underlying asset and its price volatility, include assumptions that are not based on observable market prices or rates. The Group has determined that the impact of these key assumptions and estimates on the fair value of the options is significant; accordingly, the fair value measurements of the options are classified as Level 3 within the fair value hierarchy.

### **8) Shareholder Agreements (Options)**

The fair value of options arising from shareholders' agreements, including put options, call options, and drag-along rights, has been measured using the Monte Carlo simulation method and the Binomial Tree Model. The Monte Carlo simulation method estimates the value of options probabilistically by generating random variables and is applied in cases where other valuation techniques are difficult to implement; uncertainty is addressed through a large number of simulation iterations. The Binomial Tree Model assumes that stock prices follow a binomial distribution with constant probabilities of upward and downward movements over each period, and is applied to American-style options exercisable prior to maturity with dividend-paying underlying shares.

The key input used in measuring the fair value of the options, such as share price volatility, has been estimated based on the historical volatility of the subject company or comparable peer companies. The Group has determined that the impact of such volatility assumptions on the fair value of the options is significant; accordingly, the related fair value measurements have been classified as Level 3 within the fair value hierarchy.

### **9) Price Return Swap contracts**

The fair value of price return swap contracts is measured using the discounted cash flow (DCF) model. The fixed returns under the contract from the valuation date to maturity are discounted to present value using the term structure of interest rates on privately placed corporate bonds that reflects the Company's seniority of repayment and credit rating. The present value of the disposal proceeds from the sale of the underlying asset represents the present value of the underlying asset excluding dividends expected to be received up to the disposal date. Accordingly, the value of the underlying asset is determined by discounting it using the dividend yield.

### **10) Price Return Swaps with Investors of SK On Co., Ltd. and SK IE Technology Co., Ltd.**

The fair value of the obligation borne by the Group in relation to the equity return swaps (price return swaps) entered into with investors with respect to the common shares of SK On Co., Ltd. and SK IE Technology Co., Ltd., which are subsidiaries of the Group, was measured using the binomial tree model. The significant input used in measuring the fair value of such obligations is share price volatility, which was estimated based on the historical share price volatility of comparable companies similar to the respective investees. As the Group determined that the estimation of the aforementioned share price volatility has a significant impact on the fair value measurement of the investors' equity return swaps, the fair value measurement has been classified as Level 3 within the fair value hierarchy.

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**7. Fair value measurement of financial instruments (cont'd)**

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

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

December 31, 2025						
	Valuation	Valuation amount	Level 3 techniques	Inputs	Input variations	
SK Specialty Co., Ltd.	Assets	₩ 445,128	DCF model	Permanent growth rate WACC	1.00% 9.42%	
SK Shipping Co., Ltd.	Assets	201,880	DCF model	Permanent growth rate WACC	0.00% 7.43%	
Total return swap agreement with investors of SK Shipping Co., Ltd.	Liabilities	229,449	Monte-Carlo simulation	Term structure of interest rate WACC Per-Share underlying asset value	3.01% ~ 3.53% 13.05% ₩ 14,041	
Price Return Swap with investors of SK Innovation Co., Ltd.	Liabilities	254,269	DCF model	Term structure of interest rate Dividend yield Per-Share underlying asset value	3.01% ~ 3.53% 1.98% ₩ 101,200	
Price Return Swap with investors of SK On Co., Ltd. and SK IE Technology Co., Ltd.	Liabilities	629,493	Binomial tree model	Per-Share underlying asset value Volatility	₩ 25,050 ~ 45,014 30% ~ 50%	
Accounts receivable from SK Innovation Group	Assets	123,155	Present value model	Discount rate reflecting credit risk	0.00%	
Blackstone Energy Partners III	Assets	154,621	Assets approach	Net asset value	-	
Summit Carbon Holdings, LLC	Assets	158,370	DCF model	WACC Permanent growth rate	10.80% 0.00%	
Redeemable convertible preferred stock	Liabilities	53,003	DCF model	Discount rate	15.84%	
Put option of The CrownX Corporation	Assets	268,384	Lattice model	Per-Share underlying asset value Volatility	VND 97,878 31.89%	

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**7. Fair value measurement of financial instruments (cont'd)**

December 31, 2024						
	Valuation	Valuation amount	Level 3 techniques	Inputs	Input variations	
SK Shipping Co., Ltd.	Assets	₩ 206,292	DCF model	Permanent growth rate WACC	0.00% 7.66%	
Total return swap agreement with investors of SK Shipping Co., Ltd.	Liabilities	226,797	Monte-Carlo simulation	Term structure of interest rate WACC	2.71% ~ 3.39% 13.78%	
Equity-related options, including drag-along rights, held by investors of SK On Co., Ltd.	Liabilities	482,304	Binominal tree model, Monte-Carlo simulation	Per-Share underlying asset value Volatility	₩ 55,569 35.00%	
Price return swap with investors of SK On Co., Ltd.	Liabilities	88,031	Binomial tree model	Per-Share underlying asset value Volatility	KRW 55,569 35.00%	
Accounts receivable from SK Innovation Group	Assets	182,442	Present value method	Discount rate reflecting credit risk	0.00%	
Blackstone Energy Partners III	Assets	160,886	Asset approach	Net asset value	-	
Rev Renewables, LLC	Assets	468,930	DCF model	Permanent growth rate WACC	0.00 ~ 2.00% 7.50% ~ 11.50%	
SENIC Inc.	Liabilities	36,643	Monte-Carlo simulation	Volatility WACC	36.78% ~ 55.97% 14.04%	
Accounts receivable from SK Specialty Group	Assets	14,247	Present value method	Discount rate reflecting credit risk	0.00%	
Masan group Corporation put option	Assets	120,448	Lattice model	Volatility	38.00%	
Put option of The CrownX Corporation	Assets	187,487	Lattice model	Per-Share underlying asset value Volatility	VND 101,000 25.00% ~ 30.00%	

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**8. Trade and other receivables**

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

	December 31, 2025			December 31, 2024		
	Gross amount	Allowance for doubtful accounts	Book value	Gross amount	Allowance for doubtful accounts	Book value
Trade receivables (*1)	₩ 13,758,505	₩ (625,087)	₩ 13,133,418	₩ 13,853,364	₩ (398,992)	₩ 13,454,372
Short-term loans	205,485	(78,685)	126,800	206,528	(78,708)	127,820
Other receivables	2,640,683	(79,804)	2,560,879	3,204,686	(90,164)	3,114,522
Accrued income	244,586	(2,862)	241,724	207,421	(657)	206,764
Short-term guarantee deposits	303,211	(809)	302,402	474,701	(869)	473,832
Short-term Lease receivables	34,160	-	34,160	33,362	-	33,362
Long-term trade receivables	812,984	(129,003)	683,981	743,590	(141,905)	601,685
Long-term loans	1,332,815	(571,734)	761,081	1,203,685	(420,067)	783,618
Long-term other receivables	681,589	(11,644)	669,945	296,055	(11,366)	284,689
Long-term accrued income	41,200	(1,309)	39,891	28,097	-	28,097
Long-term guarantee deposits	649,666	(4,368)	645,298	575,798	(2,592)	573,206
Long-term lease receivables	54,244	-	54,244	61,441	-	61,441
	<u>₩ 20,759,128</u>	<u>₩ (1,505,305)</u>	<u>₩ 19,253,823</u>	<u>₩ 20,888,728</u>	<u>₩ (1,145,320)</u>	<u>₩ 19,743,408</u>

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

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

	December 31, 2025	December 31, 2024
Contract assets: (*1)		
Construction business	₩ 804,920	₩ 894,187
Telecommunication business	195,039	136,737
Others	383,712	371,225
	<u>₩ 1,383,671</u>	<u>₩ 1,402,149</u>
	December 31, 2025	December 31, 2024
Contract liabilities: (*2)		
Construction business	₩ 1,255,017	₩ 1,365,867
Telecommunication business	401,730	229,706
City gas business	430,168	492,027
Others	1,314,230	1,031,335
	<u>₩ 3,401,145</u>	<u>₩ 3,118,935</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 year ended December 31, 2025 in relation to the contract liabilities at the end of the prior period is ₩1,809,490 million.

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**8. Trade and other receivables (cont'd)**

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

		December 31, 2025			
		Change in estimated construction revenue	Change in estimated cost	Impact on current period profit(loss)	Impact on future period profit(loss)
SK Ecoplant Co., Ltd. and its subsidiaries	₩	4,564,618	₩ 4,336,080	₩ (5,507)	₩ 234,045
Others		995	(659)	2,119	(465)
	₩	4,565,613	₩ 4,335,421	₩ (3,388)	₩ 233,580

  

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

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

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

		December 31, 2025						
		Contract date	Completion Date (*1)	Progress (%)	Unbilled receivables		Trade receivables (*2)	
Subsidiary	Project				Gross Amount	Allowance for doubtful accounts	Gross amount	Allowance for doubtful accounts
SK Ecoplant Co., Ltd.	Goseong Green Power Project	2014.07	2022.01	99.86	₩ -	₩ -	₩ -	₩ 60,012

  

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

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

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

(5) The amount includes the carrying amount of trade receivables accounted for as secured borrowings (₩172,615 million as of December 31, 2025 and ₩ 83,618 million as of December 31, 2024) when financial assets were transferred by trade receivables factoring transactions, but are not derecognized, in entirety or in part.

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**9. Inventories**

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

	December 31, 2025			December 31, 2024		
	Acquisition cost	Valuation allowance	Book value	Acquisition cost	Valuation allowance	Book value
Merchandise	₩ 1,469,229	₩ (58,013)	₩ 1,411,216	₩ 1,086,899	₩ (40,913)	₩ 1,045,986
Finished goods	4,242,338	(560,046)	3,682,292	4,528,008	(272,117)	4,255,891
Semifinished goods and Work in progress	1,930,594	(163,833)	1,766,761	1,585,313	(142,767)	1,442,546
Raw materials and sub-materials	2,582,986	(116,934)	2,466,052	2,633,575	(116,710)	2,516,865
Materials in transit	3,425,644	(15,733)	3,409,911	3,266,695	(15,622)	3,251,073
Supplies	902,943	(12,428)	890,515	1,115,548	(12,130)	1,103,418
Uncompleted contracts	-	-	-	19,283	-	19,283
Others	15,473	(1,730)	13,743	7,464	(4,054)	3,410
	<u>₩ 14,569,207</u>	<u>₩ (928,717)</u>	<u>₩ 13,640,490</u>	<u>₩ 14,242,785</u>	<u>₩ (604,313)</u>	<u>₩ 13,638,472</u>

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

	For the years ended	
	December 31, 2025	December 31, 2024
Loss (reversal) on valuation of inventories	₩ 324,404	₩ (97,586)

**10. Investment securities**

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

	December 31, 2025			
	Equity instruments		Bond instruments	
	Listed Stocks	Unlisted Stocks	Listed debt securities	Unlisted debt securities
Current assets				
Financial assets measured at FVTPL	₩ 18,712	₩ -	₩ -	₩ 37,014
Financial assets measured at FVOCI (*1)	-	-	-	-
Financial assets measured at amortized cost	-	-	-	170
	<u>₩ 18,712</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ 37,184</u>
Non-current assets				
Financial assets measured at FVTPL	₩ 99,375	₩ 50,576	₩ -	₩ 1,540,800
Financial assets measured at FVOCI (*1)	1,977,807	3,887,713	-	51
Financial assets measured at amortized cost	-	-	-	714
	<u>₩ 2,077,182</u>	<u>₩ 3,938,289</u>	<u>₩ -</u>	<u>₩ 1,541,565</u>
	<u>₩ 2,095,894</u>	<u>₩ 3,938,289</u>	<u>₩ -</u>	<u>₩ 1,578,749</u>

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

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**10. Investment securities (cont'd)**

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

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

(2) Details of the fair value of investments in major equity instruments designated as financial assets measured at FVOCI as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025	December 31, 2024
Plug power, Inc.	₩ 155,376	₩ 172,105
Net Power, Inc. (*1)	-	455,030
Joby Aviation, Inc. (*2)	95,131	179,716
Kakao Corp. (*1)	-	413,267
Hana Financial Group Inc.	812,172	490,238
Innoscence Suzhou Technology Co., Ltd.	703,521	258,203

(\*1) Fully disposed of for the year ended December 31, 2025.

(\*2) Partially disposed of for the year ended December 31, 2025.

(3) Changes in Financial assets measured at FVOCI for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Beginning balance	₩ 5,050,075	₩ 5,814,238
Acquisitions	246,428	230,032
Disposals	(1,178,048)	(791,558)
Profit or loss	-	-
Other comprehensive income (loss)	1,887,425	(579,702)
Change in the scope of consolidation	(453,862)	(2,713)
Others (*1)	313,553	379,778
Ending balance	₩ 5,865,571	₩ 5,050,075

(\*1) Others consist of account reclassifications, net foreign exchange differences, and others.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**11. Investments in joint ventures, associates and joint operations**

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

	Domicile	Principal business activity	December 31, 2025		December 31, 2024		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	China	Chemical product manufacturing	35.00	₩ 656,631	35.00	₩ 819,375	December
Beijing BESK Technology Co., Ltd.	China	Battery manufacturing	49.00	124,641	49.00	135,789	December
Lunar Energy, Inc. (*1)	USA	Power	-	-	43.50	71,797	December
ZETA CAYMAN Limited	Cayman	Management Services	50.00	170,131	50.00	175,410	December
Ignis Therapeutics	Cayman	Overseas investment	41.00	55,776	41.00	84,594	December
Eurasia Tunnel	Turkey	Pharmaceutical manufacturing	50.00	620,551	50.00	569,465	December
iParking Corp	Korea	Construction	44.40	153,638	44.50	153,580	December
Boryeong LNG Terminal CO., Ltd.(*1)	Korea	Business support service	-	-	50.00	181,525	December
SABIC SK Nexlene Company Pte. Ltd.	Singapore	Energy	50.00	217,208	50.00	225,047	December
Korea Security Holdings Co., Ltd.(*2)	Korea	Investment	-	-	32.00	865,223	December
Zhejiang SK energy Baoying Group Co., Ltd.	China	Holding company	49.00	114,481	49.00	109,094	December
HSAGP ENERGY LLC	USA	Asphalt business	50.00	1,729,109	50.00	1,804,716	December
SK Shieldus Co., Ltd.(*2)	Korea	Battery manufacturing	32.00	826,781	-	-	December
Jeonnam Offshore Wind Power Co., Ltd.(*3,*4)	Korea	Security system service	51.00	141,380	51.00	95,604	December
Other		Other Power Generation		548,271		437,589	
				₩ 5,358,598		₩ 5,728,808	

(\*1) It was disposed during the year ended December 31, 2025.

(\*2) During the year ended December 31, 2025, SK Shieldus Co., Ltd. merged Korea Security Holdings Co., Ltd., a jointly controlled entity of the Group, into itself with the merger date set as December 30, 2025, in order to enhance management efficiency. On the merger registration date, December 30, 2025, the parent company received 43,614,686 shares of SK Shieldus Co., Ltd. in exchange for the common shares of the absorbed company held by the Group, in accordance with the merger ratio.

(\*3) During the year ended December 31, 2024, the entity was newly included as an investment in a joint venture as a result of a business combination.

(\*4) Although the Group's ownership interest exceeds 50%, the investment is classified as an investment in a joint venture as the Group holds joint control pursuant to a shareholders' agreement.

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

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

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

	Domicile	Principal Business activity	December 31, 2025		December 31, 2024		Fiscal year-end month
			Ownership percentage (%) (*1)	Book value	Ownership percentage (%) (*1)	Book value	
SK hynix Inc.	Korea	Semiconductor	20.1	₩ 25,390,881	20.1	₩ 16,039,588	December
Eureka Midstream Holdings	USA	Resource development	40.0	626,221	40.0	624,675	December
VCM Services And Trading Development Joint Stock Company (*2)	Vietnam	Investment	8.6	251,345	8.6	265,546	December
Darwin LNG Pty Ltd.	Australia	Wholesale, import and export of LNG gas and other	25.0	459,988	25.0	502,965	December
The CrownX Corporation (*2)	Vietnam	Holding company	4.9	336,851	4.9	367,331	December
FR BR Aggregator	USA	Resource development	37.4	243,747	37.4	250,035	December
Huizhou EVE United Energy Co., Ltd. (*3)	China	Battery Manufacturing	-	-	49.0	589,469	December
Daehan Oil Pipeline Corporation	Korea	Pipeline transportation	41.0	334,111	41.0	330,706	December
NHIP II Bison Holdings, LLC	USA	Resource development	24.4	307,070	24.4	306,660	December
Canakkale Highway And Bridge	Turkiye	Construction	25.0	528,490	25.0	446,884	December
Korea IT Fund (*4)	Korea	Investment	63.3	370,482	63.3	363,138	December
Content Wavve Corp.	Korea	Broadcasting	40.5	29,767	40.5	59,744	December
Best Oil Company Ltd.	Myanmar	Oil product trading and distribution	35.0	159,065	35.0	188,564	September
TBM Co., Ltd. (*5)	Japan	Manufacturing	-	-	13.3	92,473	December
ENN (Zhoushan) LNG Co., Ltd. (*5)	China	Energy	-	-	10.0	178,419	December
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	Laos	Hydropower generation	26.0	140,517	26.0	148,379	December
BLOOMENERGY CORPORATION (*6)	USA	Other power generation	-	-	10.5	605,762	December
TERRAPOWER, LLC (*2)	USA	Small nuclear reactor	11.7	223,581	11.7	266,388	December
Londian Wason New Energy Tech. Inc.	Cayman	Battery materials manufacturing	29.6	516,623	29.6	504,877	December
CENVIRO SDN. BHD.	Malaysia	Recycling and recovery	30.0	182,345	30.0	177,154	December
Goseong Green Power Co., Ltd. (*2)	Korea	Thermal power generation	10.0	117,545	10.0	117,813	December
ChangZhou BTR New Material Technology Co., Ltd.	China	New energy	25.0	128,511	25.0	122,188	December
Nexeon (*2)	UK	Battery Manufacturing	19.5	100,599	20.8	113,479	December
Amogy Inc. (*2)	USA	Fuel cell	14.4	75,967	15.3	95,619	December
Daeshin Core Growth Investment Fund	Korea	Investment	41.2	165,956	41.2	101,426	December
GREEN OLEOS CO., LTD.	Korea	Investment	40.0	103,589	40.0	105,299	December
REBELLIONS INC.	Korea	Non-memory and other electronic integrated circuits manufacturing	35.3	187,466	40.5	298,327	December
SK REIT Co., Ltd.	Korea	Real estate development and trading	29.2	321,862	32.1	387,430	March, June, September, December
Other				1,124,639		1,760,877	
				₩ 32,427,218		₩ 25,411,215	

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

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

(\*3) During the year ended December 31, 2025, it was reclassified as held for sale (see Note 36).

**11. Investments in joint ventures, associates and joint operations (cont'd)**

- (\*4) Although the Group holds more than 50% of the equity interest, it has been classified as an investment in associates as the Group does not exercise a majority of voting rights due to contractual agreements.
- (\*5) It was disposed during the year ended December 31, 2025.
- (\*6) During the year ended December 31, 2025, the Group lost significant influence as a result of a partial disposal, and the residual interest was reclassified as financial assets measured at FVTPL.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**11. Investments in joint ventures, associates and joint operations (cont'd)**

(3) Changes in carrying amount of investments in joint ventures and associates for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others (*1)	Ending balance	
<b>Joint ventures</b>										
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 819,375	₩ -	₩ -	₩ (80,511)	₩ 11,428	₩ -	₩ (93,661)	₩ -	₩ -	₩ 656,631
Beijing BESK Technology Co., Ltd.	135,789	-	-	(14,458)	3,310	-	-	-	-	124,641
Lunar Energy, Inc.	71,797	-	(43,927)	(25,536)	-	-	-	(2,334)	-	-
ZETA CAYMAN Limited	175,410	-	-	(1,081)	-	-	-	(4,198)	-	170,131
Ignis Therapeutics	84,594	-	-	(24,719)	(4,099)	-	-	-	-	55,776
Eurasia Tunnel	569,465	-	-	68,362	(4,051)	-	-	(13,225)	-	620,551
iParking Corp.	153,580	-	-	377	(168)	-	-	(151)	-	153,638
BORYEONG LNG TERMINAL CO.,LTD.	181,525	-	(197,991)	33,566	-	(17,100)	-	-	-	-
SABIC SK Nextlene Company Pte. Ltd.	225,047	-	-	(2,040)	1,086	(6,885)	-	-	-	217,208
Korea Security Holdings Co., Ltd.	865,223	-	-	(44,527)	6,085	-	-	(826,781)	-	-
Zhejiang SK energy Baoying Group Co., Ltd.	109,094	-	-	3,909	1,941	(463)	-	-	-	114,481
HSAGP ENERGY LLC	1,804,716	-	-	(32,235)	-	-	-	(43,372)	-	1,729,109
SK Shieldus Co., Ltd	-	-	-	-	-	-	-	826,781	-	826,781
Jeonnam Offshore Wind Power Co., Ltd.	95,604	38,886	-	6,890	-	-	-	-	-	141,380
Other	437,589	122,068	(4,288)	(23,100)	1,336	(2,693)	-	17,359	-	548,271
	5,728,808	160,954	(246,206)	(135,103)	16,868	(27,141)	(93,661)	(45,921)	-	5,358,598
<b>Associates</b>										
SK hynix Inc.	16,039,588	650,179	-	9,012,120	43,871	(354,877)	-	-	-	25,390,881
Eureka Midstream Holdings	624,675	-	-	23,144	-	(6,828)	-	(14,770)	-	626,221
VCM Services And Trading Development Joint Stock Company	265,546	-	-	1,150	(299)	-	(8,542)	(6,510)	-	251,345
Darwin LNG Pty Ltd.	502,965	-	-	(30,694)	-	-	-	(12,283)	-	459,988
The CrownX Corporation	367,331	-	-	10,738	(8,689)	-	(22,920)	(9,609)	-	336,851
FR BR Aggregator	250,035	-	-	(315)	-	-	-	(5,973)	-	243,747
Huizhou EVE United Energy Co., Ltd.	589,469	-	-	19,203	6,868	(148,243)	-	(467,297)	-	-
Daehan Oil Pipeline Corporation	330,706	-	-	19,681	336	(16,612)	-	-	-	334,111
NHIP II Bison Holdings, LLC	306,660	-	-	35,039	-	(27,375)	-	(7,254)	-	307,070
Canakkale Highway And Bridge	446,884	-	-	35,547	46,059	-	-	-	-	528,490
Korea IT Fund	363,138	-	-	13,518	2,681	(8,855)	-	-	-	370,482
Content Wavve Corp.	59,744	-	-	(30,139)	162	-	-	-	-	29,767
Best Oil Company Ltd.	188,564	-	-	(24,806)	(2,361)	-	-	(2,332)	-	159,065
TBM Co., Ltd.	92,473	-	(89,189)	(4,766)	-	-	-	1,482	-	-
ENN (Zhoushan) LNG Co., Ltd.	178,419	-	(182,312)	9,906	2,308	-	-	(8,321)	-	-
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	148,379	-	-	(5,042)	(2,820)	-	-	-	-	140,517
BLOOMENERGY CORPORATION	605,762	-	(262,468)	14,531	6,707	-	-	(364,532)	-	-
TERRAPOWER, LLC	266,388	-	-	(36,124)	-	-	-	(6,683)	-	223,581
Londian Wason New Energy Tech. Inc.	504,877	-	-	(5,261)	-	-	-	17,007	-	516,623
CENVIRO SDN. BHD.	177,154	-	-	(7,884)	(22)	-	-	13,097	-	182,345
Goseong Green Power Co., Ltd.	117,813	-	-	(292)	24	-	-	-	-	117,545
ChangZhou BTR New Material Technology Co., Ltd.	122,188	-	-	11,059	2,430	(7,166)	-	-	-	128,511
Nexeon	113,479	7,757	(7,083)	(12,128)	(176)	-	-	(1,250)	-	100,599
Amogy Inc.	95,619	-	(888)	(16,915)	(1,849)	-	-	-	-	75,967
Daeshin Core Growth Investment Fund	101,426	-	-	64,545	46	(61)	-	-	-	165,956
GREEN OLEOS CO., LTD.	105,299	-	-	(1,447)	(263)	-	-	-	-	103,589
REBELLIONS INC.	298,327	-	(33,620)	(77,610)	(7,174)	-	-	7,543	-	187,466
SK REIT Co., Ltd.	387,430	-	-	(45,804)	379	(23,465)	-	3,322	-	321,862
Other	1,760,877	38,145	(277,646)	1,995	(19,414)	(37,041)	(280,092)	(62,185)	-	1,124,639
	25,411,215	696,081	(853,206)	8,972,949	68,804	(630,523)	(311,554)	(926,548)	-	32,427,218
	₩ 31,140,023	₩ 857,035	₩ (1,099,412)	₩ 8,837,846	₩ 85,672	₩ (657,664)	₩ (405,215)	₩ (972,469)	-	₩ 37,785,816

(\*1) Others include the effects of changes in scope of consolidation, net foreign currency differences, reclassifications to financial assets measured at FVTPL and others.

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

	For the year ended December 31, 2024									
	Beginning balance	Acquisition	Disposals	Equity in earnings of investment in associates (loss)	Changes in equity adjustment	Dividends	Impairment	Others (*1)	Ending balance	
<b>Joint ventures</b>										
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 901,241	₩ -	₩ -	₩ (168,817)	₩ 86,951	₩ -	₩ -	₩ -	₩ -	₩ 819,375
Beijing BESK Technology Co., Ltd.	263,870	-	-	(33,805)	27,539	-	(121,815)	-	-	135,789
Lunar Energy, Inc.	97,817	-	-	(35,119)	-	-	-	9,099	-	71,797
ZETA CAYMAN Limited	153,906	1,037	-	(1,086)	-	-	-	-	21,553	175,410
Ignis Therapeutics	93,293	-	-	(31,253)	22,554	-	-	-	-	84,594
Eurasia Tunnel	466,996	-	-	41,585	(8,290)	-	-	-	69,174	569,465
iParking Corp.	155,569	-	-	(2,157)	223	-	-	-	(55)	153,580
BORYEONG LNG TERMINAL CO., LTD.	172,398	-	-	19,394	(267)	(10,000)	-	-	-	181,525
SABIC SK Nexlene Company Pte. Ltd.	228,782	-	-	5,994	(9,729)	-	-	-	-	225,047
Korea Security Holdings Co., Ltd.	887,398	-	-	(12,141)	(10,034)	-	-	-	-	865,223
Zhejiang SK energy Baoying Group Co., Ltd.	102,943	-	-	(1,262)	11,206	(3,793)	-	-	-	109,094
HSAGP ENERGY LLC	831,600	973,395	(3,703)	3,424	-	-	-	-	-	1,804,716
Jeonnam Offshore Wind Power Co., Ltd.	-	10,200	-	(2,763)	-	-	-	-	88,167	95,604
Other	473,265	83,421	(11,769)	(28,308)	534	(3,701)	-	(75,853)	-	437,589
	4,829,078	1,068,053	(15,472)	(246,314)	120,687	(17,494)	(121,815)	112,085	-	5,728,808
<b>Associates</b>										
SK hynix Inc.	11,694,068	16,474	-	4,238,663	265,703	(175,320)	-	-	-	16,039,588
Vingroup Joint Stock Company	549,217	-	(1,807)	(4,523)	10,204	-	(75,757)	(477,334)	-	-
Eureka Midstream Holdings	549,071	-	-	15,979	-	(17,187)	-	-	76,812	624,675
VCM Services And Trading Development Joint Stock Company	489,055	-	(234,267)	27	(68)	-	(35,551)	46,350	-	265,546
Masan Group Corporation	419,227	-	(246,457)	(10,979)	(2,040)	-	-	(159,751)	-	-
Darwin LNG Pty Ltd.	473,791	13,236	-	(43,508)	(4,366)	-	-	63,812	-	502,965
The CrownX Corporation	380,736	-	-	5,217	7,071	-	(70,894)	45,201	-	367,331
FR BR Aggregator	164,973	-	-	57,487	-	-	-	27,575	-	250,035
Huizhou EVE United Energy Co., Ltd.	514,635	-	-	14,936	59,898	-	-	-	-	589,469
Peru LNG Company, LLC	279,825	-	(291,418)	2,834	8,759	-	-	-	-	-
Daehan Oil Pipeline Corporation	327,897	-	-	18,740	(294)	(15,637)	-	-	-	330,706
NHIP II Bison Holdings, LLC	307,088	-	-	(40,308)	-	-	-	39,880	-	306,660
Canakkale Highway And Bridge	333,655	28,795	-	63,923	20,511	-	-	-	-	446,884
Korea IT Fund	336,404	-	-	23,552	8,237	(5,055)	-	-	-	363,138
Joyvio	195,987	-	-	(74)	(43,523)	-	-	(152,390)	-	-
Content Wavve Corp.	118,458	-	-	(66,673)	7,959	-	-	-	-	59,744
Best Oil Company Ltd.	150,945	-	-	18,197	9,648	(1,462)	-	11,236	-	188,564
TBM Co., Ltd.	94,636	-	-	(5,021)	-	-	-	2,858	-	92,473
ENN (Zhoushan) LNG Co., Ltd.	146,415	-	-	10,957	(290)	-	-	21,337	-	178,419
XE-PIAN XE-NAMNOY POWE R COMPANY LIMITED.	149,760	-	-	(15,354)	13,973	-	-	-	-	148,379
BLOOMENERGY CORPORATION	579,440	-	-	(23,335)	(5,168)	-	-	54,825	-	605,762
TERRAPOWER, LLC	284,753	-	-	(54,048)	-	-	-	35,683	-	266,388
Londian Wason New Energy Tech. Inc.	474,388	-	-	(22,081)	-	-	-	52,570	-	504,877
CENVIRO SDN. BHD.	135,427	-	-	15,373	784	-	-	25,570	-	177,154
Goseong Green Power Co., Ltd.	117,674	-	-	148	(9)	-	-	-	-	117,813
ChangZhou BTR New Material Technology Co., Ltd.	107,487	770	(16)	6,988	12,530	(5,571)	-	-	-	122,188
Nexxon	106,023	-	(143)	(4,541)	2,856	-	-	9,284	-	113,479
Amogy Inc.	101,966	-	-	(20,117)	13,770	-	-	-	-	95,619
Daeshin Core Growth Investment Fund	97,719	-	-	3,714	36	(43)	-	-	-	101,426
GREEN OLEOS CO., LTD.	104,439	-	-	860	-	-	-	-	-	105,299
REBELLIONS INC.	-	-	-	-	-	-	-	298,327	-	298,327
SK REIT Co., Ltd.	-	-	-	-	-	-	-	387,430	-	387,430
Other	1,923,270	205,401	(145,335)	(128,689)	19,666	(52,431)	(122,388)	61,383	-	1,760,877
	21,708,429	264,676	(919,443)	4,058,344	405,847	(272,706)	(304,590)	470,658	-	25,411,215
	₩ 26,537,507	₩ 1,332,729	₩ (934,915)	₩ 3,812,030	₩ 526,534	₩ (290,200)	₩ (426,405)	₩ 582,743	₩ -	₩ 31,140,023

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

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

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

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	December 31, 2025	Accumulated	December 31, 2025	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 9,333	₩ 21,319	₩ -	₩ -
Yongin General Industrial Complex Co., Ltd.	99,128	116,596	7	15
InterVest New Growth Fund	(274)	-	(274)	-
CHUNGJU BIJEU KOEO CITY CO., LTD.	249	572	-	-
HAEUNDAE MARINEWON PFV CO., LTD.	(15,527)	8,317	-	-
Sonnoori corp	28	268	-	-
Invites Genomics Co., LTD.	7,662	29,840	(726)	560
Uland Company Limited	-	1,011	-	-
Yemen LNG Company Ltd.	113,946	200,448	(16,302)	34,477
Mastern 171 Yangjoo PFV Co., Ltd.	1,980	2,803	-	-
Mastern No.93 Logispoint Gimpo PFV Co.,Ltd.	24,890	25,811	-	-
Haman Green Energy Co., Ltd.	(549)	40	-	-
Samam Solar Co., Ltd.	(127)	-	-	-
BEOPHYEONILBAN INDUSTRIAL DANJI CO., LTD.	10	32	-	-
Sejong Venture Valley Industrial Complex Co., Ltd.	4,326	4,326	-	-
Ando Sola Co., Ltd.	3,291	3,291	-	-
KIMHAE CLEAN WATER LOAD CO., LTD.	10	10	-	-
Jincheon Megapolis Industrial Complex Co., Ltd.	133	133	-	-
HCM001, LLC	4,831	4,831	-	-
PT REGAS ENERGITAMA NFRASTRUKTUR	(19)	4,374	-	859
Busan Green Energy Co., Ltd.	625	997	-	-
	₩ 253,946	₩ 425,019	₩ (17,295)	₩ 35,911

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

	Unrecognized equity method loss		Unrecognized equity method capital changes	
	December 31, 2024	Accumulated	December 31, 2024	Accumulated
Gunpo Mixed Use Development PFV Company	₩ 5,372	₩ 11,986	₩ -	₩ -
Chuncheon Green Energy Inc.	(25)	-	-	-
Yongin General Industrial Complex Co., Ltd.	17,468	17,468	8	8
InterVest New Growth Fund	(442)	274	274	274
CHUNGJU BIJEU KOEO CITY CO., LTD.	127	323	-	-
HAEUNDAE MARINEWON PFV CO., LTD.	1,811	23,844	-	-
Chuncheon Clean Water Load Co., Ltd	9	27	-	-
Pohang New Water Road Co., Ltd.	(116)	250	-	-
BARR Operation and Maintenance. LLP	(91)	-	-	-
Sonnori corp	18	240	-	-
Invites Genomics Co., LTD.	14,334	22,178	107	1,286
Uland Company Limited	-	1,011	-	-
Daehan Kanggun BcN Co., Ltd.	-	4,176	-	-
Yemen LNG Company Ltd.	11,984	86,502	31,511	50,779
Eco creation Co., Ltd.	2,214	2,214	2,209	2,209
Mastern 171 Yangjoo PFV Co., Ltd.	823	823	-	-
Mastern No.93 Logispoint Gimpo PFV Co.,Ltd.	921	921	-	-
Haman Green Energy Co., Ltd.	589	589	-	-
Samam Solar Co., Ltd.	127	127	-	-
Hummingbird Bioscience Holdings Pte., Ltd.	5,086	5,086	2,694	2,694
VantAI Holdings, Inc	4,822	4,822	(288)	(288)
PT REGAS ENERGITAMA INFRASTRUKTUR	4,393	4,393	-	859
Busan Green Energy Co., Ltd.	(886)	372	-	-
	₩ 68,538	₩ 187,626	₩ 36,515	₩ 57,821

**SK Inc. and its subsidiaries**  
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**December 31, 2025 and 2024**

**11. Investments in joint ventures, associates and joint operations (cont'd)**

(5) Details of reconciliation from net assets of significant investments in joint ventures and associates to book value of investments in joint ventures and associates as of December 31, 2025 and 2024 are as follows (Korean won in millions):

December 31, 2025									
	Net assets(*1)	Ownership percentage (%)	The Group's interest in net assets	Investment difference	Intercompany transactions and others	Book value			
<b>Joint ventures</b>									
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 1,900,763	35.0	₩ 665,267	₩ 85,024	₩ (93,660)	₩ 656,631			
Beijing BESK Technology Co., Ltd.	217,029	49.0	227,478	-	(102,837)	124,641			
ZETA CAYMAN Limited	340,263	50.0	170,131	-	-	170,131			
Ignis Therapeutics (*2)	304,464	41.0	108,229	26,452	(78,905)	55,776			
Eurasia Tunnel	1,216,257	50.0	608,129	12,422	-	620,551			
iParking Corp.	135,874	44.4	60,078	93,560	-	153,638			
SABIC SK Nexlene Company Pte. Ltd.	486,770	50.0	243,385	-	(26,177)	217,208			
Zhejiang SK energy Baoying Group Co., Ltd.	236,767	49.0	105,255	9,226	-	114,481			
HSAGP ENERGY LLC	3,459,903	50.0	1,729,952	-	(843)	1,729,109			
SK Shieldus Co., Ltd (*3,4)	(493,168)	32.0	(157,814)	984,595	-	826,781			
Jeonnam Offshore Wind Power Co., Ltd.	252,575	51.0	128,813	12,567	-	141,380			
<b>Associates</b>									
SK hynix Inc. (*5)	120,364,821	20.1	25,091,468	674,204	(374,791)	25,390,881			
Eureka Midstream Holdings	918,203	40.0	367,281	258,939	-	626,220			
VCM Services And Trading Development Joint Stock Company	251,604	8.6	21,638	229,708	-	251,346			
Darwin LNG Pty Ltd.	11,938	25.0	2,985	457,003	-	459,988			
The CrownX Corporation	2,181,789	4.9	106,908	229,943	-	336,851			
FR BR Aggregator	651,730	37.4	243,747	-	-	243,747			
Daehan Oil Pipeline Corporation	778,493	41.0	319,195	22,878	(7,962)	334,111			
NHIP II Bison Holdings, LLC	1,258,480	24.4	307,069	-	-	307,069			
Canakkale Highway And Bridge	2,113,965	25.0	528,491	-	-	528,491			
Korea IT Fund	584,972	63.3	370,482	-	-	370,482			
Content Wavve Corp.	(151,230)	40.5	(61,248)	133,135	(42,120)	29,767			
Best Oil Company Ltd.	287,651	35.0	100,678	58,721	(334)	159,065			
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	476,110	26.0	123,789	-	16,728	140,517			
TERRAPOWER, LLC	124,999	11.7	14,625	208,956	-	223,581			
Londian Wason New Energy Tech. Inc.	1,135,986	29.6	336,252	-	180,372	516,624			
CENVIRO SDN. BHD.	220,380	30.0	66,114	116,231	-	182,345			
Goseong Green Power Co., Ltd.	1,004,445	10.0	100,445	8,652	8,448	117,545			
ChangZhou BTR New Material Technology Co., Ltd.	511,033	25.0	127,758	920	(168)	128,510			
Nexxon	100,807	19.5	19,617	75,173	5,808	100,598			
Amogy Inc.	213,341	14.4	30,721	46,242	(997)	75,966			
Daeshin Core Growth Investment Fund	403,153	41.2	165,956	-	-	165,956			
GREEN OLEOS CO., LTD.	256,465	40.0	102,586	1,002	-	103,588			
REBELLIONS INC.(*6,7)	(462,479)	18.2	(163,255)	350,721	-	187,466			
SK REIT Co., Ltd.	1,260,728	29.2	368,133	6,807	(53,078)	321,862			

**11. Investments in joint ventures, associates and joint operations (cont'd)**

- (\*1) Net assets are the amount excluding the amount of non-controlling interests of the associates company.
- (\*2) The net assets of the joint venture are multiplied by the share ratio after excluding related equity adjustment in the employee stock ownership plan.
- (\*3) Goodwill held by SK Shieldus Co., Ltd. was excluded from the net assets at the time it was recognized as an investment in a joint venture.
- (\*4) During the year ended December 31, 2025, SK Shieldus Co., Ltd. , merged with Korea Security Holdings Co., Ltd., a joint venture of the Group, with December 30, 2025 as the merger date in order to enhance management efficiency.
- (\*5) The equity ownership presented is the Group's ownership in respect to the number of shares issued by the investee, and the effective equity ratio of 20.82% was applied to the equity method valuation.
- (\*6) Goodwill held by REBELLIONS INC. was excluded from the net assets at the time it was recognized as an investment in an associate.
- (\*7) The equity ownership presented is the Group's ownership of voting rights in respect to the number of shares issued by the investee, and the common stock equity ratio of 35.30% was applied to the equity method valuation.

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

	December 31, 2024					
	Net assets (*1)	Ownership percentage (%)	The Group's interest in net assets	Investment difference	Intercompany transactions and others	Book value
<b>Joint ventures</b>						
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩ 2,102,286	35	₩ 735,800	₩ 83,575	₩ -	₩ 819,375
Beijing BESK Technology Co., Ltd.	523,092	49	256,315	-	(120,526)	135,789
Lunar Energy, Inc.	286,149	43.5	124,475	-	(52,678)	71,797
ZETA CAYMAN Limited	350,818	50	175,410	-	-	175,410
Ignis Therapeutics (*2)	364,428	41	135,990	27,099	(78,495)	84,594
Eurasia Tunnel	1,113,067	50	556,533	-	12,932	569,465
iParking Corp.	133,375	44.5	59,322	94,258	-	153,580
BORYEONG LNG TERMINAL CO., LTD.	337,867	50	168,933	28,737	(16,145)	181,525
SABIC SK Nexlene Company Pte. Ltd.	509,700	50	254,850	-	(29,803)	225,047
Korea Security Holdings Co., Ltd.(*3)	(373,038)	32	(119,372)	984,595	-	865,223
Zhejiang SK energy Baoying Group Co., Ltd.	204,127	49	100,022	9,072	-	109,094
HSAGP ENERGY LLC	3,609,433	50	1,804,716	-	-	1,804,716
<b>Associates</b>						
SK hynix Inc. (*4)	73,915,704	20.1	15,667,520	612,191	(240,123)	16,039,588
Eureka Midstream Holdings	857,489	40	342,996	281,678	-	624,674
VCM Services And Trading Development Joint Stock Company	252,095	8.6	21,680	243,867	-	265,547
Darwin LNG Pty Ltd.	84,995	25	21,249	481,716	-	502,965
The CrownX Corporation	1,584,295	4.9	77,631	289,700	-	367,331
FR BR Aggregator	641,115	39	250,035	-	-	250,035
Huizhou EVE United Energy Co., Ltd.	1,212,657	49	594,202	-	(4,733)	589,469
Daehan Oil Pipeline Corporation	770,266	41	315,822	22,878	(7,994)	330,706
NHIP II Bison Holdings, LLC	1,256,799	24.4	306,659	-	-	306,659
Canakkale Highway And Bridge	1,787,540	25	446,885	-	-	446,885
Korea IT Fund	573,376	63.3	363,138	-	-	363,138
Content Wavve Corp.	(100,443)	40.5	(40,680)	133,135	(32,711)	59,744
Best Oil Company Ltd.	367,563	35	128,647	59,917	-	188,564
TBM Co., Ltd.	31,157	13.3	4,144	-	88,329	92,473
ENN (Zhoushan) LNG Co., Ltd.	913,382	10	91,338	87,081	-	178,419
XE-PIAN XE-NAMNOY POWE R COMPANY LIMITED.	467,846	26	121,640	-	26,739	148,379
BLOOMENERGY CORPORATION	409,413	10.5	42,047	563,716	-	605,763
TERRAPOWER, LLC	331,520	11.7	38,788	227,600	-	266,388
Londian Wason New Energy Tech. Inc.	1,206,919	29.6	357,248	-	147,630	504,878
CENVIRO SDN. BHD.	230,775	30	69,233	107,544	377	177,154
Goseong Green Power Co., Ltd.	1,004,037	10	100,404	8,652	8,758	117,814
ChangZhou BTR New Material Technology Co., Ltd.	489,481	25	122,370	904	(1,087)	122,187
Nexxon	138,641	21.3	28,881	77,754	6,843	113,478
Amogy Inc.	293,276	15.3	44,871	50,624	123	95,618
Daeshin Core Growth Investment Fund	246,391	41.2	101,513	-	(87)	101,426
GREEN OLEOS CO., LTD.	260,741	40	104,296	1,002	-	105,298
SK REIT Co., Ltd.	1,183,630	32.1	379,945	7,485	-	387,430

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

(\*2) Net assets are the amount excluding the amount of non-controlling interests of the associates company.

(\*3) Goodwill held by Korea Security Holdings Co., Ltd. was excluded from the net assets at the time it was recognized as a joint venture investment.

(\*4) The equity ownership presented is the Group's ownership in respect to the number of shares issued by the investee, and the effective equity ratio of 21.23% was applied to the equity method valuation.

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

(6) Condensed financial information's of significant investments in joint ventures as of December 31, 2025 and 2024 are as follows (Korean won in millions).

December 31, 2025

	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Sales	Net income (loss)	Total comprehensive income (loss)			
<b>Joint ventures</b>														
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩	646,789	₩	4,211,018	₩	923,511	₩	2,033,533	₩	9,649,842	₩	(230,034)	₩	(229,693)
Beijing BESK Technology Co., Ltd.		137,516		126,756		10,571		36,672		22,592		(28,553)		(28,553)
ZETA CAYMAN Limited		297		341,149		1,183		-		-		(2,160)		(2,160)
Ignis Therapeutics		93,104		259,647		25,122		23,165		118		(56,573)		(56,048)
Eurasia Tunnel		435,788		1,782,327		258,109		743,749		27,223		136,723		128,621
iParking Corp.		83,970		111,286		25,737		33,644		53,440		2,243		2,243
SABIC SK Nexlene Company Pte. Ltd.		305,667		612,165		146,041		285,021		492,707		(11,332)		3,558
Zhejiang SK energy Baoying Group Co., Ltd.		586,160		105,443		444,518		10,318		1,126,825		8,286		8,179
HSAGP ENERGY LLC		25,067		5,140,948		229,357		1,476,754		-		(62,786)		(62,786)
SK Shieldus Co., Ltd		690,278		5,316,384		639,290		2,895,275		2,201,306		(130,329)		(122,809)
Jeonnam Offshore Wind Power Co., Ltd.		46,299		812,788		26,933		579,578		45,513		14,523		14,523
<b>Associates</b>														
SK hynix Inc.		69,458,073		106,649,586		37,378,999		18,061,909		97,146,675		42,947,902		43,017,348
Eureka Midstream Holdings		65,126		1,290,811		19,460		418,274		167,323		78,740		78,740
VCM Services And Trading Development Joint Stock Company		642,067		332,601		595,118		127,946		1,553,869		13,289		13,289
Darwin LNG Pty Ltd.		115,716		1,133,847		41,813		1,195,812		-		(70,400)		(70,400)
The CrownX Corporation		2,238,647		1,493,201		1,258,992		291,067		2,621,003		294,449		294,449
Daehan Oil Pipeline Corporation		256,935		843,592		52,070		269,964		203,080		48,183		49,004
Canakkale Highway And Bridge		660,573		4,428,743		303,752		2,671,598		65,057		151,418		136,226
Korea IT Fund		183,750		401,222		-		-		40,134		21,343		25,575
Content Wavve Corp.		138,402		29,080		84,262		230,734		267,699		(76,616)		(75,957)
Best Oil Company Ltd.		747,030		238,304		686,817		10,867		2,527,668		(73,714)		(73,714)
XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.		355,075		1,088,039		118,441		848,562		213,673		19,264		19,264
TERRAPOWER, LLC		737,100		403,204		957,529		57,776		67,090		(347,601)		(347,601)
Londian Wason New Energy Tech. Inc.		1,792,322		1,965,181		2,072,742		548,775		2,161,943		3,909		2,207
CENVIRO SDN. BHD.		201,286		330,652		91,599		219,959		350,873		(26,280)		(26,353)
Goseong Green Power Co., Ltd.		1,101,013		3,852,782		432,450		3,516,900		1,307,686		163		407
ChangZhou BTR New Material Technology Co., Ltd.		398,965		293,219		107,333		73,819		381,980		40,309		40,309
Nexeon		96,432		110,592		15,706		90,510		1,327		(57,355)		(57,355)
Amogy Inc.		70,386		306,112		9,743		153,414		-		(110,692)		(110,603)
Daeshin Core Growth Investment Fund		1,337		402,210		394		-		229		156,796		156,796
GREEN OLEOS CO., LTD.		206,796		415,828		141,550		224,609		501,322		3,485		3,485
REBELLIONS INC.		392,333		295,580		912,220		10,420		32,022		(204,898)		(204,679)
SK REIT Co., Ltd.		100,957		4,656,498		1,199,918		2,214,737		228,250		26,797		26,797

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**11. Investments in joint ventures, associates and joint operations (cont'd)**

December 31, 2024

	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Sales	Net income (loss)	Total comprehensive income (loss)			
<b>Joint ventures</b>														
Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	₩	672,146	₩	4,540,687	₩	2,266,025	₩	844,522	₩	8,327,072	₩	(482,008)	₩	(482,008)
Beijing BESK Technology Co., Ltd.		214,384		387,383		44,547		34,129		214,602		(66,945)		(66,945)
Lunar Energy, Inc.		167,110		159,598		14,253		26,306		5,695		(108,120)		(108,120)
ZETA CAYMAN Limited		1,875		349,494		550		-		-		(2,172)		(2,172)
Ignis Therapeutics		126,142		277,715		16,360		23,069		52		(68,307)		(68,486)
Eurasia Tunnel		385,949		1,832,989		239,455		866,415		21,730		123,743		134,631
iParking Corp. (Formerly, Parkingcloud Corp.)		107,378		95,148		44,203		24,949		94,334		(472)		(472)
BORYEONG LNG TERMINAL CO.,LTD.		183,099		1,423,300		92,862		1,175,670		255,998		38,158		37,624
SABIC SK Nexlene Company Pte. Ltd.		346,508		647,689		194,288		290,209		383,366		3,945		(82,651)
Korea Security Holdings Co., Ltd.		689,616		5,155,283		520,134		2,728,026		2,004,711		(50,466)		(69,298)
Zhejiang SK energy Baoying Group Co., Ltd.		681,816		102,193		552,639		9,564		1,017,103		(2,072)		(2,208)
HSAGP ENERGY LLC		9,189		3,916,500		263,317		52,939		-		6,848		6,848
<b>Associates</b>														
SK hynix Inc.		42,278,887		77,576,322		24,965,444		20,974,061		66,192,960		19,796,902		21,044,422
Eureka Midstream Holdings		70,688		1,273,103		483,039		3,263		175,872		55,632		55,632
VCM Services And Trading Development Joint Stock Company		718,381		331,302		757,198		40,390		1,901,865		331		331
Darwin LNG Pty Ltd.		86,196		685,072		46,851		639,421		-		(2,125)		(2,125)
The CrownX Corporation		1,824,191		1,919,090		1,714,847		101,948		2,474,510		280,840		280,840
Huizhou EVE United Energy Co., Ltd.		968,992		613,014		289,245		80,104		688,286		34,286		33,580
Daehan Oil Pipeline Corporation		209,700		873,094		43,241		269,287		198,924		45,282		44,566
Canakkale Highway And Bridge		555,570		3,944,570		61,025		2,651,575		57,471		271,464		238,231
Korea IT Fund		164,128		409,248		-		-		57,110		37,187		50,193
Content Wavve Corp.		70,149		106,078		98,592		178,078		331,283		(153,050)		(152,688)
Best Oil Company Ltd.		1,114,792		219,983		954,906		12,306		2,093,709		35,963		35,963
TBM Co., Ltd.		62,521		30,528		7,954		53,938		48,205		(53,408)		(53,408)
ENN (Zhoushan) LNG Co., Ltd.		119,010		1,308,424		158,013		356,039		225,886		125,681		125,681
XE-PIAN XE-NAMNOY POWER COMPAN Y LIMITED.		306,474		1,140,483		86,366		892,745		182,433		8,570		9,236
BLOOMENERGY CORPORATION		2,537,820		1,031,395		833,377		2,326,425		1,639,437		(240,715)		(259,618)
TERRAPOWER, LLC		699,814		268,885		173,167		308,197		4,920		(89,214)		(89,214)
Londian Wason New Energy Tech. Inc.		1,909,277		1,857,440		2,090,412		469,386		1,654,620		(52,187)		(53,315)
CENVIRO SDN. BHD.		154,013		347,659		85,103		185,794		165,073		53,507		53,479
Goseong Green Power Co., Ltd.		1,023,854		4,105,237		387,585		3,737,468		1,310,775		2,273		2,273
ChangZhou BTR New Material Technology Co., Ltd.		406,580		248,053		101,234		63,919		302,954		29,234		29,234
Nexeon		87,643		85,640		30,315		4,327		13,827		(18,725)		(18,725)
Amogy Inc.		48,974		334,296		9,381		80,613		-		(131,142)		(130,696)
Daeshin Core Growth Investment Fund		2,110		244,570		289		-		1,435		9,021		9,021
GREEN OLEOS CO., LTD.		216,076		419,806		155,115		220,026		490,354		8,068		-
SK REIT Co., Ltd.		100,540		4,333,002		1,161,820		2,006,906		52,410		2,336		2,336

**SK Inc. and its subsidiaries**  
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**11. Investments in joint ventures, associates and joint operations (cont'd)**

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

	December 31, 2025	December 31, 2024
SK hynix Inc.	₩ 95,111,100	₩ 25,406,790
Dreamus Company Co., Ltd. (*1)	23,511	-
SK REIT Co., Ltd.	506,943	387,430
SM Culture&Contents Co., Ltd.	29,305	30,847
KONAN TECHNOLOGY CO., LTD.	46,499	45,933
CMES Inc.	25,287	18,335

(\*1) The Group lost control over Dreamus Company, which was previously a subsidiary of the parent company, during the year ended December 31, 2025. As of the end of the reporting period, the remaining equity interest has been reclassified as an investment in associates.

(8) Details of joint operations as of December 31, 2025 and 2024 are as follows:

Company name	Ownership percentage (%)		Main business location	Date of financial statements	Nature of joint arrangement activities, etc.
	December 31, 2025	December 31, 2024			
Ulsan Aromatics Co., Ltd.	50	50	Korea	December 31	(*1,2)
PT. Patra SK	51	65	Indonesia	December 31	(*1,3,4)
HDGSK JV	25	25	Iraq	December 31	(*1,5)
TPSK JV	50	50	Vietnam	December 31	(*1,6)
RIVERLINKX CJV	20	20	UK	December 31	(*1,7)
Sotra Link Construction JV	30	30	Norway	December 31	(*1,8)

(\*1) The Group classified activities subject to the joint arrangement with the entities above as a joint operation, considering facts and circumstances that the contractual agreement is designed to provide outputs to relevant parties of the agreement 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 Group entered into a Conditional Share Purchase Agreement (CSPA) during the year ended December 31, 2024 to sell a portion of its ownership interest in PT. Patra SK, and the disposal process was completed during the year ended December 31, 2025, the Group's equity ownership decreased from 65.0% to 51.0%.

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

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

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

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

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**12. Property, plant and equipment**

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

	December 31, 2025			
	Acquisition Cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land	₩ 8,112,031	₩ -	₩ -	₩ 8,112,031
Buildings	11,626,145	(1,873,521)	(484,639)	9,267,985
Structures	3,348,613	(1,217,809)	(48,962)	2,081,842
Machinery and equipment	46,668,688	(24,625,455)	(647,589)	21,395,644
Vehicles	164,205	(70,556)	(1,003)	92,646
Operating lease asset	62,213	(5,150)	(3,324)	53,739
Others	12,328,632	(4,367,880)	(406,542)	7,554,210
Construction-in-progress	21,230,218	-	-	21,230,218
	<u>₩ 103,540,745</u>	<u>₩ (32,160,371)</u>	<u>₩ (1,592,059)</u>	<u>₩ 69,788,315</u>

  

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

(2) Changes in property, plant and equipment for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Impairment (*3)	Transfers (*1)	Others (*2)	
Land	₩ 8,406,519	₩ 19,631	₩ (262,676)	₩ -	₩ -	₩ (26,930)	₩ (24,513)	₩ 8,112,031
Buildings	9,223,569	53,008	(89,022)	(379,103)	(3,224,051)	3,660,022	23,562	9,267,985
Structures	2,224,789	25,728	(6,464)	(165,780)	(27,294)	42,492	(11,629)	2,081,842
Machinery and equipment	22,791,528	682,332	(51,193)	(4,156,453)	(1,760,345)	3,941,517	(51,742)	21,395,644
Vehicles	130,034	8,161	(11,264)	(20,066)	(231)	(7,669)	(6,319)	92,646
Operating lease asset	85,783	13,863	(8,540)	(37,770)	(7)	(62)	472	53,739
Others	7,042,713	1,013,624	(31,115)	(768,450)	(19,592)	170,213	146,817	7,554,210
Construction-in-progress	30,458,800	6,728,103	(162,315)	-	(305,405)	(15,050,444)	(438,521)	21,230,218
	<u>₩ 80,363,735</u>	<u>₩ 8,544,450</u>	<u>₩ (622,589)</u>	<u>₩ (5,527,622)</u>	<u>₩ (5,336,925)</u>	<u>₩ (7,270,861)</u>	<u>₩ (361,873)</u>	<u>₩ 69,788,315</u>

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

(\*3) For the year ended December 31, 2025, the Group reviewed the recoverable amount of assets related to the Kentucky Plants 1 and 2, which are expected to be transferred to Ford Motor Company pursuant to the termination agreement of the BlueOval SK, LLC joint operations, prior to their classification as held for sale, and recognized an impairment loss of ₩ 3,491,734 million.

In addition, as a result of the value-in-use assessment performed for the cash-generating units of the Seosan Plants 1 and 2, SK On Hungary Kft., and SK ie technology Co., Ltd. and its subsidiaries, the recoverable amounts were determined to be lower than the carrying amounts, and impairment losses of ₩ 289,270 million (discount rate: 9.80%, terminal growth rate: 0%), ₩ 412,276 million (discount rate: 10.74%, terminal growth rate: 1%), and ₩ 98,319 million (discount rate: 8.8%, terminal growth rate: 1%), respectively, were recognized.

	For the year ended December 31, 2024							
	Beginning balance	Acquisition	Disposals	Depreciation	Reversal of impairment (Impairment)	Transfers (*1)	Others (*2)	Ending balance
Land	₩ 9,743,705	₩ 15,419	₩ (60,177)	₩ -	₩ (3,917)	₩ (84,270)	₩ (1,204,241)	₩ 8,406,519
Buildings	8,068,015	27,587	(61,754)	(328,326)	(8,132)	1,711,165	(184,986)	9,223,569
Structures	2,211,690	30,552	(11,328)	(135,369)	(3,727)	87,413	45,558	2,224,789
Machinery and equipment	22,068,857	640,193	(190,321)	(3,998,578)	(116,442)	3,468,610	919,209	22,791,528
Vehicles	165,058	19,386	(28,942)	(28,454)	(550)	1,702	1,834	130,034
Operating lease asset	2,580,610	483,446	(13,364)	(274,432)	(642)	(2,689,984)	149	85,783
Others	5,901,800	1,824,335	(71,541)	(629,382)	21,511	70,627	(74,637)	7,042,713
Construction-in-progress	22,754,697	13,417,280	(126,467)	-	(85,048)	(6,865,643)	1,363,981	30,458,800
	<u>₩ 73,494,432</u>	<u>₩ 16,458,198</u>	<u>₩ (563,894)</u>	<u>₩ (5,394,541)</u>	<u>₩ (196,947)</u>	<u>₩ (4,300,380)</u>	<u>₩ 866,867</u>	<u>₩ 80,363,735</u>

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

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

(3) Capitalized borrowing costs and capitalization rates for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Borrowing costs capitalized	₩ 1,031,296	₩ 423,250
Capitalization rate	1.75% ~ 7.05%	2.68% ~ 7.93%

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**13. Right-of-use assets and lease**

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

	December 31, 2025			
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land and buildings	₩ 4,686,823	₩ (2,072,815)	₩ (88,576)	₩ 2,525,432
Tanks	388,191	(322,442)	-	65,749
Ships	2,080,803	(843,590)	-	1,237,213
Vehicles	608,520	(386,319)	(4,881)	217,320
Others	573,131	(266,680)	(6,816)	299,635
	<u>₩ 8,337,468</u>	<u>₩ (3,891,846)</u>	<u>₩ (100,273)</u>	<u>₩ 4,345,349</u>

  

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

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

	For the year ended December 31, 2025					
	Beginning balance	Increase	Decrease	Depreciation	Others (*1)	Ending balance
Land and buildings	₩ 2,965,873	₩ 553,055	₩ (162,982)	₩ (667,196)	₩ (163,318)	₩ 2,525,432
Tanks	117,301	32,322	(21,174)	(79,196)	16,496	65,749
Ships	1,304,374	126,849	(10,983)	(164,855)	(18,172)	1,237,213
Vehicles	187,793	135,128	(21,573)	(84,830)	802	217,320
Others	362,954	105,700	(38,356)	(84,979)	(45,684)	299,635
	<u>₩ 4,938,295</u>	<u>₩ 953,054</u>	<u>₩ (255,068)</u>	<u>₩ (1,081,056)</u>	<u>₩ (209,876)</u>	<u>₩ 4,345,349</u>

(\*1) Others include the effects of changes in scope of consolidation, net foreign currency differences, impairment losses, transfer to assets held for sale and others.

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

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

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

(3) Details of lease-related income and expenses from lease contracts where the Group is a lease user for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Depreciation of right-of-use assets	₩ 1,081,056	₩ 1,136,085
Interest cost on lease liabilities	227,069	227,870
Short-term lease-related expenses	352,757	180,614
Low-value underlying asset lease-related expenses	21,415	22,643
Expenses related to variable lease payments not included in the measurement of lease liabilities	226,192	185,030
	<u>₩ 1,908,489</u>	<u>₩ 1,752,242</u>

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

	For the years ended	
	December 31, 2025	December 31, 2024
Total cash out flows from leases	₩ 1,812,119	₩ 1,683,417

(5) The maturity analysis of the total lease investments and the present value of minimum lease payments for contracts provided as finance leases by the Group as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025						
	Less than 1 year	1 ~ 2 years	2 ~ 3 years	3 ~ 4 years	4 ~ 5 years	More than 5 years	Total
	₩	₩	₩	₩	₩	₩	₩
Total investment in the lease	307,324	255,947	199,868	138,305	73,707	30,715	1,005,866
Present value of minimum lease payments	274,796	232,480	185,055	130,579	70,444	29,753	923,107

  

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

(6) Details of adjustments for undiscounted lease payments related to finance leases and net investments in finance leases as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025	December 31, 2024
Undiscounted finance lease payments to be received	₩ 1,005,866	₩ 1,049,691
Unrealized financial income related to finance lease receivables	82,759	82,743
Net investment in finance leases	923,107	966,948

**SK Inc. and its subsidiaries**  
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**14. Investment properties**

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

	December 31, 2025	December 31, 2024
Acquisition cost	₩ 1,332,557	₩ 1,249,413
Accumulated depreciation	(267,703)	(247,233)
Accumulated impairment loss	(4,538)	(7,841)
	<u>₩ 1,060,316</u>	<u>₩ 994,339</u>

(2) Changes in investment properties for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025							Ending balance
	Beginning balance	Acquisition	Disposals	Depreciation	Reversal of impairment loss	Transfers	Others(*1)	
Land	₩ 511,130	₩ 48,406	₩ (9,385)	₩ -	₩ -	₩ 72,319	₩ (14,896)	₩ 607,574
Buildings	474,414	39,206	(14,611)	(21,007)	1,246	21,865	(54,003)	447,110
Structures	-	-	-	-	-	-	-	-
right-of-use assets	8,795	-	-	(2,427)	-	(736)	-	5,632
	<u>₩ 994,339</u>	<u>₩ 87,612</u>	<u>₩ (23,996)</u>	<u>₩ (23,434)</u>	<u>₩ 1,246</u>	<u>₩ 93,448</u>	<u>₩ (68,899)</u>	<u>₩ 1,060,316</u>

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

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

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

**SK Inc. and its subsidiaries**  
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**14. Investment properties (cont'd)**

(3) Details of income and expenses related to investment properties for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Rental income	₩ 104,851	₩ 252,113
Expenses directly related to rental income	(26,574)	(18,978)
Expenses not directly related to rental income	(29,760)	(37,690)
	₩ 48,517	₩ 195,445

(4) The fair value of investment properties is ₩2,046,363 million and ₩2,105,864 million as of December 31, 2025 and 2024, respectively.

**15. Goodwill**

(1) Changes in goodwill for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025							Ending balance
	Beginning balance	Acquisition	Consolidation (*1)	Impairment	Disposals	Transfers (*2)	Others(*3)	
Goodwill	₩ 5,462,338	₩ -	₩ 90,032	₩ (1,056,128)	₩ (1,052,700)	₩ (77,083)	₩ (17,492)	₩ 3,348,967

(\*1) Goodwill was recognized as a result of business combination during the year ended December 31, 2025 (See Note 43).

(\*2) SK South East Asia Investment Pte. Ltd., the subsidiary, has decided to dispose of its stakes in IMEXPHARM CORPORATION. Accordingly, these assets have been reclassified as assets held for sale.

(\*3) Others include the effects of changes in scope of consolidations, net foreign currency differences and others.

	For the year ended December 31, 2024							Ending balance
	Beginning balance	Acquisition	Consolidation	Impairment	Disposals	Transfers (*1)	Others(*2)	
Goodwill	₩ 6,845,928	₩ -	₩ -	₩ (1,201,269)	₩ (349,817)	₩ (199,069)	₩ 366,565	₩ 5,462,338

(\*1) The Parent Company decided to sell a portion of its equity interest in SK Specialty Co., Ltd., and SKC Co., Ltd., a subsidiary, reclassified its thin-film business of SK Nexilis Co., Ltd. as discontinued operations. The related asset groups were classified as assets held for sale.

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

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**15. Goodwill (cont'd)**

(2) Impairment testing of goodwill

1) Goodwill of each operating segment as of December 31, 2025 and 2024 are as follows (Korean won in millions):

		December 31, 2025	December 31, 2024
SK Inc. and others	SK Siltron Co., Ltd.	₩ 142,878	₩ 142,878
	SK SILTRON USA, INC.	-	345,634
	IMEXPHARM CORPORATION	-	79,673
	Others	233,692	261,248
Group of SK Innovation Co., Ltd.	EAA business in SK Innovation Co., Ltd.	-	104,612
	FPt business in SK Innovation Co., Ltd.	-	171,535
	Yuilrobotics Co., Ltd.	81,024	-
	Others	36,270	39,709
Group of SK Telecom Co., Ltd.	SK Broadband Co., Ltd.	405,639	405,639
	Others	2,016	2,016
Group of SK Square Co., Ltd.	Others	122,862	242,359
Group of SK Networks Co., Ltd.	SK intellix Co., Ltd (formerly, SK Magic Co., Ltd.)	227,893	227,893
	Others	81,951	82,259
Group of SKC Co., Ltd.	SK Nexilis Co., Ltd.	485,096	599,747
	ISC Co., Ltd.	202,990	202,990
Group of SK Ecoplant Co., Ltd.	SK Ecoplant Co., Ltd.	487,653	965,416
	RenewUs Co., Ltd.	-	468,185
	Eco Frontier (Singapore) Pte. Ltd	839,003	1,120,545
		₩ 3,348,967	₩ 5,462,338

2) Significant assumptions to estimate the recoverable amounts reflected the management's expectation of future trend considered with external and internal (historical) information. Significant assumptions used in impairment testing of goodwill for the year ended December 31, 2025 are as follows:

	Recoverable amount	Growth rate (*1)	Discount rate (*2)
SK Inc. and others	Value in use	1.0%~3.0%	10.5%~17.0%
Group of SK Innovation Co., Ltd.	Value in use and net fair value	0.00%	8.5%~20.0%
Group of SK Telecom Co., Ltd.	Value in use	0.0%~1.0%	4.8%~5.0%
Group of SK Square Co., Ltd.	Value in use and net fair value	1.00%	8.9%~11.6%
Group of SK Networks Co., Ltd.	Value in use	1.00%	7.7%~13.0%
Group of SKC Co., Ltd.	Value in use	1.00%	10.8%~12.7%
Group of SK Ecoplant Co., Ltd.	Value in use	0.0%~1.0%	9.5%~11.0%

(\*1) Future cash flows beyond the forecast period were estimated using a fixed terminal growth rate.

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

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**16. Intangible assets**

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

	December 31, 2025			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Carrying amount
Frequency usage rights	₩ 3,564,907	₩ (2,900,421)	₩ -	₩ 664,486
Industrial property rights	264,910	(98,209)	(7,127)	159,574
Development costs	810,596	(374,049)	(152,067)	284,480
Facility usage rights	179,933	(158,568)	(5,095)	16,270
Customer-related assets	3,726,151	(2,209,286)	(78,204)	1,438,661
Development costs for petroleum resource	3,114,568	(1,443,698)	(151,437)	1,519,433
Membership	319,499	-	(27,636)	291,863
Brand-related assets	2,197,643	-	-	2,197,643
Developed technology	635,380	(139,522)	(25,239)	470,619
Others	7,554,654	(5,899,761)	(139,028)	1,515,865
	₩ 22,368,241	₩ (13,223,514)	₩ (585,833)	₩ 8,558,894

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

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**16. Intangible assets (cont'd)**

(2) Changes in intangible assets for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025								
	Beginning balance	Acquisition	Disposals	Amortization	Impairment	Transfers(*3)	Others(*4)	Ending balance	
	₩ 1,135,546	₩ -	₩ -	₩ (471,060)	₩ -	₩ -	₩ -	₩ 664,486	
Frequency usage rights									
Industrial property rights	171,825	6,232	(881)	(11,619)	(1,831)	345	(4,497)	159,574	
Development costs	264,119	59,208	(559)	(48,720)	(63,448)	73,094	786	284,480	
Facility usage rights	25,806	848	(2)	(4,338)	-	(6,365)	321	16,270	
Customer-related assets	2,183,770	2,850	(66,466)	(251,589)	(35,480)	(384,585)	(9,839)	1,438,661	
Development costs for petroleum resource	1,478,777	234,820	(24,706)	(157,440)	-	(5,261)	(6,757)	1,519,433	
Membership (*1)	320,210	9,168	(30,637)	-	(1,404)	(7,527)	2,053	291,863	
Brand-related assets (*1)	2,279,074	-	-	-	-	(52,607)	(28,824)	2,197,643	
Developed technology	698,560	-	(19,237)	(130,410)	(25,016)	(12,716)	(40,562)	470,619	
Others (*2)	1,884,808	171,761	(9,162)	(587,825)	(174,593)	212,124	18,752	1,515,865	
	₩ 10,442,495	₩ 484,887	₩ (151,650)	₩ (1,663,001)	₩ (301,772)	₩ (183,498)	₩ (68,567)	₩ 8,558,894	

(\*1) Membership and brand-related assets are classified as intangible assets with infinite useful lives 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 reclassification of construction-in-progress with intangible assets, and reclassification of intangible assets with assets held for sale.

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

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**16. Intangible assets (cont'd)**

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

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

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

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

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

**16. Intangible assets (cont'd)**

(3) Impairment testing of brand-related assets

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

Significant assumptions used in impairment testing of brand-related assets as of December 31, 2025 are as follows:

Recoverable amount Value in use	<u>Growth rate (*1)</u> 1.00%	<u>Discount rate (*2)</u> 9.7% ~ 20.7%
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(\*1) Future cash flows for additional periods after the estimated period are estimated using a fixed growth rate.

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

As a result of impairment test of brand-related assets, the carrying amount does not exceed the recoverable amount, so there is no impairment loss recognized for the year ended December 31, 2025.

(4) Research and development expenditures recognized as expenses for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	<u>For the years ended</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Research and development costs expensed as incurred	₩ 620,188	₩ 808,430

(5) Details of Significant individual intangible assets as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	<u>December 31, 2025</u>	<u>Amount</u>		<u>Remaining amortization period</u>
		₩		
Frequency usage rights	800 MHz frequency	₩	21,958	6 Months
	1.8GHz frequency		96,968	12 Months
	2.6GHz frequency		121,410	12 Months
	2.1GHz frequency		72,876	12 Months
	3.5GHz frequency		351,274	35 Months
	<u>December 31, 2024</u>	<u>Amount</u>		<u>Remaining amortization period</u>
		₩		
Frequency usage rights	800 MHz frequency	₩	65,873	18 Months
	1.8GHz frequency		202,751	24 Months
	2.6GHz frequency		242,830	24 Months
	2.1GHz frequency		152,378	24 Months
	3.5GHz frequency		471,714	47 Months

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**17. Bonds and borrowings**

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

	December 31, 2025		December 31, 2024	
	Current	Non-current	Current	Non-current
Short-term borrowings (*1)	₩ 11,714,166	₩ -	₩ 20,002,596	₩ -
Bonds and long-term borrowings:				
Bonds	9,739,249	24,933,152	7,931,271	26,034,033
Long-term borrowings	5,201,331	20,612,861	6,857,615	22,039,096
	14,940,580	45,546,013	14,788,886	48,073,129
	₩ 26,654,746	₩ 45,546,013	₩ 34,791,482	₩ 48,073,129

(\*1) It includes borrowings collateralized for trade receivables of ₩172,615 million and ₩83,618 million as of December 31, 2025 and 2024, respectively, which were transferred but not derecognized.

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

	December 31, 2025	December 31, 2024
SK Inc.	₩ 7,580,000	₩ 7,415,000
SK Innovation Co., Ltd.	4,431,271	2,468,637
SK Energy Co., Ltd.	1,900,000	2,420,000
SK Geo Centric Co., Ltd.	1,680,000	1,850,000
SK Incheon Petrochem Co., Ltd.	1,737,000	1,797,000
SK Enmove Co., Ltd.	-	850,000
SK ie technology Co., Ltd.	485,000	325,000
SK Battery America, Inc.	1,721,880	1,764,000
SK On Co., Ltd.	2,429,135	1,911,000
IPC First Securitization Specialty Company	-	180,000
SK Telecom Co., Ltd.	6,094,430	6,649,000
SK Broadband Co., Ltd.	2,135,470	1,826,000
SAPEON Inc.	7,008	51,303
SK Networks Co., Ltd.	830,000	810,000
SK intellix Co., Ltd. (formerly, SK Magic Co., Ltd.)	700,000	595,000
SK Speedmate Co., Ltd.	-	30,000
SKC Co., Ltd.	150,000	245,000
ISC Co., Ltd.	20,000	20,000
SK Nexilis Co., Ltd.	40,000	-
SK picglobal Co., Ltd.	10,000	30,000
Paju Energy Service Co., Ltd.	470,000	210,000
Narae Energy Service Co., Ltd.	300,000	40,000
Yeoju Energy Service Co., Ltd.	70,000	30,000
Ige Co., Ltd.	130,000	130,000
Yuilrobotics. Co.,Ltd.	2,500	-
SK Ecoplant Co., Ltd.	974,000	1,278,000
Topsun Co., Ltd.	2,800	4,028
SK oceanplant Co.,Ltd.	-	50,000
SK airplus Inc.	80,000	100,000
SK Siltron Co., Ltd.	783,000	929,000
Teraon Co., Ltd.	-	10
8 Rivers Capital LLC	-	4,410
	34,763,494	34,012,388
Less : discount on bonds	(91,093)	(47,084)
Less : current portion	(9,739,249)	(7,931,271)
	₩ 24,933,152	₩ 26,034,033

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**17. Bonds and borrowings (cont'd)**

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

Description	Financial institution	Issuing currency	Interest rate	December 31, 2025	December 31, 2024
General	Korea Development Bank and others	KRW	1.02% ~ 6.20%	₩ 6,853,566	₩ 9,347,600
Fund for facility	Korea Development Bank and others	KRW	1.87% ~ 6.04%	2,516,111	5,548,671
Foreign borrowings	Mizuho Bank and others	USD and others	0.29% ~ 9.00%	15,751,903	12,632,918
Fund for mine exploration	Korea Energy Agency (*1)	USD	0.00% ~ 8.80%	119,133	108,300
Takeover	Korea Development Bank and others	USD	SOFR(3M)+2.00%	200,886	205,800
Takeover	Mizuho Bank and others	EUR	EURIBOR(3M)+1.60%	-	246,126
Takeover	NH Bank	KRW	6.12%	68,875	-
Repayment-exemptable loan	KentuckyEconomicDevelopment Finance Authority (*2)	USD	-	-	367,500
Others	MD Prime 1st Co., Ltd. and others	KRW	3M CD+1.8%, 4.95%	909,976	1,007,818
				26,420,450	29,464,733
				(606,258)	(568,022)
Less: discount on long-term borrowings				(5,201,331)	(6,857,615)
Less: current portion				₩ 20,612,861	₩ 22,039,096

(\*1) As of December 31, 2025 and 2024, the Group holds a loan amounting to ₩60,832 million and ₩73,243 million from Korea Energy Agency for the purpose of oil exploration and development in which there is no repayment obligation in case for failure in exploration.

(\*2) The amount has been reclassified to liabilities held for sale during the current period.

Long-term borrowings presented above are to be repaid either in installments or all at once at maturity. Financial instruments and other assets of the Group are pledged as detailed in Note 39.

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

1) Details of major financial liabilities subject to adjustment of the exercise price according to changes in the issuer's stock price as of December 31, 2025 and 2024 are as follows. (Korean won in millions):

	December 31, 2025	December 31, 2024	Book value at the time of initial recognition
SK Oceanplant Co., Ltd 8th Unguaranteed Convertible Bond	₩ -	₩ 38,360	₩ 30,409

**17. Bonds and borrowings (cont'd)**

2) The valuation gains and losses of major financial liabilities subject to the adjustment of the exercise price in accordance with the change in the issuer's stock price for the years ended December 31, 2025 and 2024 and profit before income tax expense from continuing operations before reflecting related gains and losses, are as follows. (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Profit before income tax expense from continuing operations (A)	₩ 2,636,992	₩ 1,328,887
Valuation income(expense) (B)	-	162
Profit before income tax expense from continuing operations before reflecting valuation Income(expense) ((A)-(B))	2,636,992	1,328,725

**18. Long-term other payables**

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

	December 31, 2025			
	Nominal value	Discount on long-term other payables	Current portion	Long-term other payables
Frequency usage rights	₩ 551,925	₩ (3,964)	₩ (368,572)	₩ 179,389
Others	561,076	(54,105)	(191,568)	315,403
	₩ 1,113,001	₩ (58,069)	₩ (560,140)	₩ 494,792

  

	December 31, 2024			
	Nominal value	Discount on long-term other payables	Current portion	Long-term other payables
Frequency usage rights	₩ 921,075	₩ (13,355)	₩ (367,765)	₩ 539,955
Others	522,705	(60,972)	(43,251)	418,482
	₩ 1,443,780	₩ (74,327)	₩ (411,016)	₩ 958,437

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**19. Provisions**

Changes in the provisions for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025								
	Beginning balance	Increase	Use	Reversal	Others(*1)	Ending balance	Current	Non-current	
Provision for sale warranties	₩ 410,382	₩ 180,946	₩ (187,304)	₩ (1,312)	₩ (6,082)	₩ 396,630	₩ 58,938	₩ 337,692	
Provision for service / construction warranties	101,130	34,546	(18,988)	(3,850)	6,809	119,647	119,647	-	
Provision for restoration	976,363	288,464	(106,262)	(21,950)	(44,114)	1,092,501	90,317	1,002,184	
Provision for onerous contracts	136,170	440,100	(9,817)	(13,287)	(30,760)	522,406	431,320	91,086	
Emission provisions	10,614	18,763	(12,886)	(2,226)	(324)	13,941	13,941	-	
Litigation provisions	41,126	915	(1,815)	(15,416)	(605)	24,205	24,157	48	
Other provisions	230,199	854,774	(651,609)	(10,798)	(16,969)	405,597	358,011	47,586	
	₩ 1,905,984	₩ 1,818,508	₩ (988,681)	₩ (68,839)	₩ (92,045)	₩ 2,574,927	₩ 1,096,331	₩ 1,478,596	

(\*1) Others include transfer to liabilities held for sale, the effects of changes in scope of consolidation, net foreign currency differences and others.

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

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

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**20. Defined benefit liabilities (assets)**

(1) Expenses related to the defined contribution type retirement benefit system for the years ended December 31, 2025 and 2024 are ₩80,970 million and ₩65,787 million, respectively.

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

	December 31, 2025	December 31, 2024
Present value of defined benefit obligation	₩ 3,601,830	₩ 3,867,243
Fair value of plan assets	(4,012,844)	(4,119,724)
Defined benefit assets (*1)	(452,097)	(339,646)
Defined benefit liabilities (*1)	41,083	87,165

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

(3) Changes in the defined benefit liabilities for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,867,243	₩ (4,119,724)	₩ (252,481)
Current service cost	406,600	-	406,600
Past service cost	7,660	-	7,660
Net interest cost (income)	132,375	(151,518)	(19,143)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	12,263	12,263
Changes in demographic assumption	(2,741)	-	(2,741)
Changes in financial assumption	(64,377)	-	(64,377)
Experience adjustment	64,902	-	64,902
Contributions	-	(557,018)	(557,018)
Benefit payments	(656,260)	643,548	(12,712)
Payment amount due to settlement	(46,266)	46,214	(52)
Effects of change in foreign exchange rates	1,924	(318)	1,606
Others (*1)	(109,230)	113,709	4,479
Ending balance	₩ 3,601,830	₩ (4,012,844)	₩ (411,014)

(\*1) Others include the effects of changes in scope of consolidation, transfers and exits from affiliated companies, transfer to liabilities held for sale and others.

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**20. Defined benefit liabilities (assets) (cont'd)**

	For the year ended December 31, 2024		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 3,749,577	₩ (4,212,131)	₩ (462,554)
Current service cost	448,269	-	448,269
Past service cost	10,914	-	10,914
Net interest cost (income)	154,460	(177,331)	(22,871)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expenses)	-	10,945	10,945
Changes in demographic assumption	(10,050)	-	(10,050)
Changes in financial assumption	158,525	-	158,525
Experience adjustment	4,138	-	4,138
Contributions	-	(385,394)	(385,394)
Benefit payments	(559,817)	516,056	(43,761)
Payment amount due to settlement	(36,730)	34,679	(2,051)
Effects of change in foreign exchange rates	12,874	(10,513)	2,361
Others (*1)	(64,917)	103,965	39,048
Ending balance	₩ 3,867,243	₩ (4,119,724)	₩ (252,481)

(\*1) Others include the effects of changes in scope of consolidation, transfers and exits from affiliated companies and others.

(4) Details of fair value of plan assets as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025	December 31, 2024
Cash and cash equivalents	₩ 708,565	₩ 158,600
Equity instruments	188,858	124,182
Debt instruments	1,151,915	1,816,228
Short-term financial instruments and others	1,963,506	2,020,714
	₩ 4,012,844	₩ 4,119,724

(5) The principal assumptions used in actuarial calculation as of December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Discount rate for defined benefit obligation	3.40% ~ 5.60%	0.95% ~ 4.95%
Expected rate of salary increase	1.80% ~ 6.30%	1.50% ~ 6.82%

The discount rate is determined based on market yields at the end of the reporting period on high quality corporate bonds with maturities that approximate the expected timing of the defined benefit obligations. The future salary growth rate is estimated by considering the Group's historical promotion patterns, expected inflation, and wage increases under labor agreements.

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**20. Defined benefit liabilities (assets) (cont'd)**

(6) If each significant acceptable insurance assumption changes within the reasonable range that may occur, the impact on defined benefit obligations as of December 31, 2025 and 2024 are as follows. (Korean won in millions):

	December 31, 2025		
	Sensitivity level	Increase	Decrease
Discount rate for defined benefit obligation	0.5% point	₩ (117,468)	₩ 133,187
Expected rate of salary increase	0.5% point	128,981	(114,573)

  

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

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

**21. Other assets**

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

	December 31, 2025		December 31, 2024	
Current assets :				
Short-term loans	₩	126,800	₩	127,820
Accrued income		241,724		206,764
Advanced payments		1,255,137		1,450,701
Prepaid expenses		2,921,534		2,752,841
Guarantee deposits		302,402		473,832
Derivative financial assets		464,849		1,404,138
Lease receivables		34,160		33,362
Other contract assets		153,670		146,886
Others current assets		176,509		83,321
	₩	5,676,785	₩	6,679,665
Non-current assets :				
Long-term prepaid expenses	₩	1,356,544	₩	1,209,989
Long-term accrued income		39,891		28,097
Long-term advanced payments		51,972		70,626
Long-term loans		761,081		783,618
Guarantee deposits		645,298		573,206
Derivative financial assets		901,046		929,625
Long-term lease receivables		54,244		61,441
Other long-term contract assets		63,778		46,352
Others non-current assets		51,907		83,134
	₩	3,925,761	₩	3,786,088

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**22. Other liabilities**

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

	December 31, 2025		December 31, 2024	
Current liabilities :				
Accrued expenses	₩	4,447,775	₩	4,563,921
Dividends payable		13,446		1,382
Advances received		2,191,294		1,954,393
Unearned revenue		143,529		142,133
Withholdings		1,486,812		1,212,624
Leasehold deposits received		860,020		938,005
Income tax payable		659,881		905,757
Derivative financial liabilities		569,024		723,651
Lease liabilities		1,131,042		1,082,184
Finance guarantee liabilities		48,701		31,425
Financial liabilities at fair value through profit or loss		9,971		65,697
Other contract liabilities		357,285		313,466
Others		109,587		45,724
	₩	12,028,367	₩	11,980,362
Non-current liabilities :				
Long-term accrued expenses	₩	8,063	₩	13,754
Advances received		550,557		716,379
Long-term unearned revenue		702,847		703,724
Leasehold deposits received		133,994		92,953
Derivative financial liabilities		1,341,452		1,082,222
Long-term lease liabilities		3,811,742		4,161,502
Income tax payable		4,685		-
Financial liabilities at fair value through profit or loss		859,795		1,022,237
Other long-term contract liabilities		224,963		95,363
Others (*1)		737,704		761,965
	₩	8,375,802	₩	8,650,099

(\*1) Others include long-term employee benefit liabilities amounting to ₩205,158 million and ₩187,774 million as of December 31, 2025 and 2024, respectively.

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**23. Derivative financial assets and liabilities**

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

	December 31, 2025			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Firm contracts	₩ 27,236	₩ 90,709	₩ 373	₩ 277,424
Swap contracts	181,752	329,235	135,522	432,352
Forward contracts	106,624	8,952	122,304	31,247
Futures contracts	85,556	-	-	-
Options contracts	61,329	445,491	197,662	465,231
Embedded derivative	2,352	26,659	113,163	135,198
	₩ 464,849	₩ 901,046	₩ 569,024	₩ 1,341,452

  

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

**23. Derivative financial assets and liabilities (cont'd)**

(2) The Group has entered into derivatives (such as foreign exchange forwards, foreign exchange swap and interest swap) contracts in order to avoid exchange rate risk of foreign currency assets and liabilities and the interest rate risk associated with debts. In addition, The Group recognizes derivatives for various rights such as call options and put options granted under the agreement between shareholders. As of December 31, 2025, significant derivative financial instruments that the Group holds as a hedge or held-for-trading are as follows:

Segment	Purpose of Transactions	Types of Derivatives	Counterparties
SK Inc. and Others	Hedging foreign exchange risk arising from foreign currency-denominated construction contracts, etc.	Currency forwards, interest rate swaps, equity options, etc.	Hana Bank, etc.
Group of SK Innovation Co., Ltd.	Hedging cash flow variability risk related to forecast sales of products and goods and interest rate risk on floating-rate borrowings, etc.	Currency forwards, interest rate swaps, equity options, etc.	Woori Bank, Morgan Stanley Bank, etc.
Group of SK Telecom Co., Ltd.	Hedging interest rate risk on KRW-denominated floating-rate borrowings and foreign exchange and interest rate risk on foreign currency bonds, etc.	Currency forwards, interest rate swaps, etc.	Morgan Stanley Bank, Citibank, etc.
Group of SK Square Co., Ltd.	Trading purposes	Equity options, etc.	SK Securities, etc.
Group of SK Networks Co., Ltd.	Trading purposes	Currency forwards, equity options, etc.	Hana Bank, Shinhan Bank, etc.
Group of SKC Co., Ltd.	Trading purposes	Currency forwards, interest rate swaps, etc.	KB Kookmin Bank, Shinhan Bank, etc.
Group of SK Ecoplant Co., Ltd.	Hedging foreign exchange risk on foreign currency-denominated assets and liabilities and interest rate risk on borrowings, etc.	Currency forwards, interest rate swaps, etc.	Hana Bank, Standard Chartered Bank Korea, etc.
Group of SK Siltron Co., Ltd.	Hedging foreign exchange and interest rate risk on floating-rate foreign currency borrowings	Currency forwards, interest rate swaps	Korea Development Bank, NH NongHyup Bank
Group of SK Biopharmaceuticals Co., Ltd	Hedging foreign exchange risk	Currency forwards	Hana Bank
Group of SK Pharmteco Inc.	Hedging foreign exchange risk	Currency forwards	Hana Bank, Shinhan Bank

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**24. Share capital and other paid-in capital**

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

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

  

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

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

(2) Changes in the total number of shares issued for the years ended December 31, 2025 and 2024 are as follows (In shares):

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

  

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

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**24. Share capital and other paid-in capital (cont'd)**

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,948,207)	(1,948,386)
Other capital surplus	5,437,042	6,588,770
	<u>₩ 10,098,002</u>	<u>₩ 11,249,551</u>

(\*1) For the year ended December 31, 2015, the treasury shares(from new share issuance) acquired through the absorption merger of former SK Co., Ltd. amounting to ₩3,369,395 million were deducted from additional paid-in capital.

(\*2) As of December 31, 2025, treasury shares consist of those acquired to increase the enterprise value and to stabilize share price (6,957,461 ordinary shares) and those acquired from repurchase of shares from dissenting shareholders on the 2015 business combination and shares arising from odd lot shares (11,023,238 ordinary shares and 1,787 preferred shares) for the year 2015.

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Number of treasury shares (in shares)	17,982,486	17,984,141
Acquisition amount	₩ 1,948,207	₩ 1,948,386

(5) Changes in treasury shares for the years ended December 31, 2025 and 2024 are as follows (In shares):

	<u>For the years ended</u>	
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Beginning	17,984,141	18,336,199
Acquisition	1	357,602
Disposal	(1,656)	(14,034)
Retirement	-	(695,626)
Ending	<u>17,982,486</u>	<u>17,984,141</u>

**25. Retained earnings**

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

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Legal reserve		
Earned surplus reserve (*1)	₩ 8,072	₩ 8,072
Voluntary reserve		
Reserve for business rationalization	11,121	11,121
Reserve for business improvement	51,775	51,775
Unappropriated retained earnings	12,940,459	11,810,940
	<u>₩ 13,011,427</u>	<u>₩ 11,881,908</u>

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

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**26. Dividends**

(1) Details of dividends proposed for approval at the annual ordinary shareholders' meeting for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions, except for number of shares):

	For the years ended			
	December 31, 2025		December 31, 2024	
	Ordinary share	Preferred share (No voting rights)	Ordinary share	Preferred share (No voting rights)
Number of shares issued (in shares)	72,502,703	566,135	72,502,703	566,135
Number of treasury shares (in shares)	17,980,699	1,787	17,982,354	1,787
Number of shares (in shares)	54,522,004	564,348	54,520,349	564,348
Dividend per share(Korean won)	₩ 6,500	₩ 6,550	₩ 5,500	₩ 5,550
Par value per share(Korean won)	200	200	200	200
Dividend rate per share	3,250%	3,275%	2,750%	2,775%
Dividends	₩ 354,394	₩ 3,696	₩ 299,862	₩ 3,132

(2) Details of interim dividends proposed for approval at board of directors for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended			
	December 31, 2025		December 31, 2024	
	Ordinary share	Preferred share (No voting rights)	Ordinary share	Preferred share (No voting rights)
Number of shares issued (in shares)	72,502,703	566,135	72,502,703	566,135
Number of treasury shares (in shares)	17,980,699	1,787	17,982,354	1,787
Number of shares (in shares)	54,522,004	564,348	54,520,349	564,348
Dividend per share(Korean won)	₩ 1,500	₩ 1,500	₩ 1,500	₩ 1,500
Par value per share(Korean won)	200	200	200	200
Dividend rate per share	750%	750%	750%	750%
Dividends	₩ 81,783	₩ 847	₩ 81,780	₩ 847

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**27. Other components of equity**

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

	December 31, 2025	December 31, 2024
Net gain on valuation of financial assets measured at FVOCI	₩ (1,411,065)	₩ (1,939,136)
Equity adjustments of investments in associates and joint ventures	771,403	731,439
Net gain on valuation of derivative instruments	53,540	54,804
Net gain on translation of foreign operation	2,647,746	3,119,882
	<u>₩ 2,061,624</u>	<u>₩ 1,966,989</u>

**28. Share-based payment**

Upon special resolution by the shareholders and resolution by the Board of Directors, the Group granted stock options to its executives and employees, and the key details are as follows:

(1) SK Inc.

- Cash-settled share-based payment

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

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

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

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**28. Share-based payment (cont'd)**

(1) SK Inc. (cont'd)

- Cash-settled share-based payment (cont'd)

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

For the year ended December 31, 2025					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩	₩	₩	₩	₩	₩
25,361	32,927	-	32,927		32,927
For the year ended December 31, 2024					
Compensation costs (Reversal) recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩	₩	₩	₩	₩	₩
(6,411)	8,893	-	8,893		7,566

3) Changes in stock options for the years ended December 31, 2025 and 2024 are as follows (Korean won):

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

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

Descriptions	December 31, 2025			
	2-1	2-2	1(*1)	2(*1)
Option Pricing Model	The binomial model	The binomial model	The binomial model	The binomial model
Expected price (Closing price on the preceding day)	₩ 256,500	₩ 256,500	₩ 256,500	₩ 256,500
Risk-free interest rate	2.64%	2.64%	2.64%	2.64%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	44.40%	44.40%	44.40%	44.40%
Dividend yield	2.73%	2.73%	2.73%	2.73%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 107,995	₩ 107,995	₩ 167,296	₩ 167,296

(\*1) The stock options have been transferred from the former SK Materials Co., Ltd.

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**28. Share-based payment (cont'd)**

(1) SK Inc. (cont'd)

- Equity-settled share-based payment

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

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

2) Details of compensation cost for the years ended December 31, 2025 and 2024, due to equity-settled share-based Payment are as follows (Korean won in millions):

For the year ended December 31, 2025			
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs
₩ -	₩ 9,580	₩ -	₩ 9,580
For the year ended December 31, 2024			
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs
₩ 3,330	₩ 9,580	₩ -	₩ 9,580

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**28. Share-based payment (cont'd)**

(1) SK Inc. (cont'd)

- Equity-settled share-based payment (cont'd)

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

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

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

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

	For the year ended December 31, 2025			
	Current (reversal)	Accumulated	Remaining	Total
Group of SK Innovation Co., Ltd.	₩ 55,435	₩ 173,645	₩ 97,283	₩ 270,928
Group of SK Telecom Co., Ltd.	(744)	167,675	-	167,675
Group of SK Square Co., Ltd.	23,019	61,776	2,306	64,082
Group of SK Networks Co., Ltd.	(341)	5,278	819	6,097
Group of SKC Co., Ltd.	1,417	12,126	-	12,126
Group of SK Ecoplant Co., Ltd.	676	10,168	355	10,523
Others	7,704	34,383	8,077	42,460
	₩ 87,166	₩ 465,051	₩ 108,840	₩ 573,891

  

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

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**29. Selling and administrative expenses**

Details of selling and administrative expenses for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Salaries	₩ 2,171,281	₩ 2,259,765
Provision for pension benefits	158,557	206,749
Employee welfare benefits	526,338	541,673
Travel	95,658	111,535
Bad debt expenses	272,027	102,089
Communications	18,341	16,015
Utilities	88,557	71,342
Taxes and dues	166,783	161,226
Supplies	60,374	50,063
Rents	221,342	215,388
Depreciation	664,902	624,078
Amortization	338,910	361,152
Repairs	42,850	42,665
Insurance	78,333	80,340
Advertising	534,166	530,366
Research and development	620,188	796,351
Education and research	95,335	88,649
Outsourced service expenses	1,550,404	1,378,495
Product delivery expenses	358,417	323,108
Others	425,300	434,498
	₩ 8,488,063	₩ 8,395,547

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**30. Finance income and costs**

(1) Details of finance income for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Finance income:		
Interest income	₩ 865,709	₩ 959,400
Gain on foreign currency transactions	2,321,504	2,235,832
Gain on foreign currency translation	596,194	916,927
Gain on transactions of derivatives	1,584,031	1,548,869
Gain on valuation of derivatives	718,689	699,394
Others	1,307,105	440,042
	<u>₩ 7,393,232</u>	<u>₩ 6,800,464</u>

(2) Details of finance costs for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Finance expenses:		
Interest expense	₩ 3,075,050	₩ 3,638,869
Loss on foreign currency transactions	2,253,956	2,332,930
Loss on foreign currency translation	375,726	1,281,924
Loss on transactions of derivatives	1,675,591	1,824,764
Loss on valuation of derivatives	1,991,874	642,877
Others	826,945	378,340
	<u>₩ 10,199,142</u>	<u>₩ 10,099,704</u>

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**31. Other non-operating income and expenses**

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

	For the years ended	
	December 31, 2025	December 31, 2024
Other non-operating income:		
Dividend income	₩ 69,170	₩ 57,994
Rental income	1,878	48
Gain on disposal of trade receivables	1,510	2,762
Gain on disposal of investments in associates and joint ventures	2,370,950	859,800
Gain on disposal of property, plant and equipment	530,521	244,582
Gain on disposal of intangible assets	35,590	36,354
Reversal of impairment loss on investments in associates and joint ventures	174,423	12,553
Other income	680,337	377,557
	<u>₩ 3,864,379</u>	<u>₩ 1,591,650</u>

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

	For the years ended	
	December 31, 2025	December 31, 2024
Other non-operating expenses:		
Loss on disposal of trade receivables	₩ 65,903	₩ 78,378
Impairment loss on investments in associates and joint ventures	405,215	426,405
Loss on disposal of property, plant and equipment	237,602	188,131
Loss on impairment of property, plant and equipment	5,387,597	203,741
Loss on disposal of intangible assets	18,049	36,897
Loss on impairment of intangible assets and goodwill	975,915	1,413,796
Donations	50,393	65,511
Other expenses	1,937,125	757,852
	<u>₩ 9,077,799</u>	<u>₩ 3,170,711</u>

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**32. Expense classified based on nature of expense**

Details of classification based on nature of expenses for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Employee benefits	₩ 9,966,376	₩ 10,039,291
Depreciation and amortization	8,271,410	8,285,815
Network connection	642,868	696,515
Transport	722,522	752,457
Advertising	534,166	530,366
Lease payments and rents	729,902	510,876
Others	23,603,499	22,606,207
Use of raw materials and sale of merchandise	76,799,912	77,523,746
Changes in finished goods and semi-finished goods	332,836	350,752
Total (*1)	₩ 121,603,491	₩ 121,296,025

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

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**33. Income taxes**

(1) Components of income tax expense for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Current income tax	₩ 2,392,757	₩ 1,553,979
Adjustments in respect of current income tax of prior year	98,947	(13,314)
Origination and reversal of temporary difference	(943,075)	(745,948)
Income tax recognized directly to equity	(412,838)	(67,298)
Others	(162,801)	75,925
Income tax expense	₩ 972,990	₩ 803,344
Income tax expense from continuing operations	₩ 281,169	₩ 769,567
Income tax expense from discontinued operations	691,821	33,777

(2) Details of income tax recognized directly to equity for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Remeasurement gain (loss) on defined benefit plan	₩ (10,055)	₩ 43,797
Net gain on valuation of financial instruments measured at FVOCI	(427,404)	72,936
Equity adjustments of investments in associates and joint ventures	(14,382)	(147,266)
Net gain(loss) on valuation of derivative instruments	(20,631)	7,308
Others	59,634	(44,073)
	₩ (412,838)	₩ (67,298)

(3) Reconciliations of profit before income tax expense at the Korea statutory tax rate to income tax expense at the effective tax rate of the Group for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Profit before income tax expense	₩ 4,528,236	₩ 1,325,619
Profit before income tax expense from continuing operations	2,636,992	1,328,887
Profit before income tax expense from discontinued operations	1,891,244	(3,268)
Applied tax rates (*1)	26.40%	26.40%
Income tax at statutory tax rate	1,195,455	349,963
Non-taxable income	(394,179)	(320,196)
Non-deductible expenses	294,968	202,686
Tax credit	(67,987)	5,211
Unrecognized deferred taxes	(1,718,749)	170,564
Others (*2)	1,663,482	395,116
Income tax expense	₩ 972,990	₩ 803,344
Income tax expense from continuing operations	₩ 281,169	₩ 769,567
Income tax expense from discontinued operations	691,821	33,777
Effective tax rate	21.40%	60.30%

(\*1) The applied tax rate is the corporate income tax applicable of taxable income in the Republic of Korea where the Parent Company is located. For the year ended December 31, 2025, the difference between the Korean tax burdens and the foreign tax burdens on foreign subsidiaries is included in others.

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**33. Income taxes (cont'd)**

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

(4) Significant changes in deferred tax assets (liabilities) for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the year ended December 31, 2025				
	Beginning balance	Recognized directly in profit or loss	Recognized directly in equity	Others	Ending balance
Temporary differences	₩ (3,300,974)	₩ (168,048)	₩ (412,838)	₩ (74,021)	₩ (3,955,881)
Tax loss carryforward	1,152,898	991,506	-	(35,768)	2,108,636
Tax credits carryforward	485,340	119,617	-	(9,802)	595,155
	₩ (1,662,736)	₩ 943,075	₩ (412,838)	₩ (119,591)	₩ (1,252,090)
Deferred tax assets (*1)	₩ 2,418,044				₩ 3,514,664
Deferred tax liabilities (*1)	(4,080,780)				(4,766,754)

  

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

(\*1) The Group offsets deferred tax assets and deferred tax liabilities and presents them on the consolidated statement of financial position if, and only if, it has a legally enforceable right and intention to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes are levied by the same tax authority.

(5) Temporary differences to be deducted, tax loss carryforward and tax credits carryforward that are not recognized as deferred tax assets as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025	December 31, 2024
Temporary differences to be deducted	₩ 13,809,378	₩ 5,693,176
Tax loss carryforward	2,775,920	2,287,101
Tax credits carryforward	328,669	245,264
	₩ 16,913,967	₩ 8,225,541

(6) The total amount of temporary differences related to subsidiaries, investment in branches and associates, joint ventures that are not recognized as deferred tax liabilities as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025	December 31, 2024
Subsidiaries, investment in associates and joint ventures	₩ 27,971,717	₩ 18,261,731

**33. Income taxes (cont'd)**

(7) The expected expiration schedule of tax loss carryforward and tax credits carryforward for which deferred tax assets are not recognized as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025		December 31, 2024	
	Tax loss carryforward	Tax credits carryforward	Tax loss carryforward	Tax credits carryforward
1 year or less	₩ 232,305	₩ 1,441	₩ 71,456	₩ 3,008
1 year ~ 2 years	363,003	1,356	221,297	4,896
2 years ~ 3 years	74,409	1,476	66,438	13,360
More than 3 years	2,106,203	324,396	1,927,910	224,000
	₩ 2,775,920	₩ 328,669	₩ 2,287,101	₩ 245,264

(8) Global minimum tax

In accordance with the global minimum tax law that comes into effect from 2024, the Group 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 Group belong. As a result of the review, it was determined that additional tax would arise in accordance with the global minimum tax law, and accordingly, the amount recognized as corporate tax expense for the year ended December 31, 2025 is ₩2,403 million. Meanwhile, the Company applies the exception to the recognition and disclosure of deferred tax assets and liabilities related to the global minimum tax, and accordingly does not recognize deferred tax assets and liabilities related to the global minimum tax and does not disclose information thereon.

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**34. Earnings (loss) per share**

(1) Basic earnings (loss) per share

1) Basic earnings (loss) per share calculation details attributable to ordinary shareholders of the parent for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions, except weighted-average number of ordinary shares outstanding):

	For the years ended	
	December 31, 2025	December 31, 2024
Profit (loss) from continuing operations attributable to owners of the parent	₩ 127,399	₩ (1,277,431)
Profit (loss) from discontinued operations attributable to owners of the parent	1,470,099	(15,253)
Less: preferred share dividends and residual profit (loss) (*1)	16,394	(13,237)
Profit (loss) from continuing operations attributable to ordinary shareholders of the parent	₩ 126,094	₩ (1,264,350)
Profit (loss) from discontinued operations attributable to ordinary shareholders of the parent	1,455,010	(15,097)
Weighted-average number of ordinary shares outstanding (*2)	54,521,591	54,548,178
Basic earnings (loss) per share from continuing operations attributable to ordinary shareholders of the parent (in Korean won)	₩ 2,313	₩ (23,179)
Basic earnings (loss) per share from discontinued operations attributable to ordinary shareholders of the parent (in Korean won)	26,687	(276)

(\*1) Preferred shares are entitled to receive cash dividends at a rate 25% higher than that of ordinary shares.

(\*2) The weighted-average number of shares reflects changes in treasury shares during the years ended December 31, 2025 and 2024.

**34. Earnings (loss) per share (cont'd)**

2) The basis for calculating the weighted-average number of ordinary shares outstanding used in computing basic earnings (loss) per share attributable to ordinary shareholders of the parent for the years ended December 31, 2025 and 2024 is as follows (in shares):

	For the years ended	
	December 31, 2025	December 31, 2024
Weighted-average number of issued shares outstanding	72,502,703	72,808,702
Adjustment: treasury shares	(17,981,112)	(18,260,524)
Weighted-average number of ordinary shares outstanding	54,521,591	54,548,178

3) Basic earnings (loss) per share calculation details attributable to preferred shareholders of the parent for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions, except weighted-average number of preferred shares outstanding):

	For the years ended	
	December 31, 2025	December 31, 2024
Preferred dividends and residual profit (loss)	₩ 16,394	₩ (13,237)
Profit (loss) for the year from continuing operations attributable to preferred shareholders of the parent	1,305	(13,081)
Profit (loss) from discontinued operations attributable to preferred shareholders of the parent	15,089	(156)
Weighted-average number of preferred shares outstanding (in shares)	564,348	564,348
Basic earnings (loss) per share from continuing operations attributable to preferred shareholders of the parent (in Korean won) (*1)	₩ 2,313	₩ (23,179)
Basic earnings (loss) per share from discontinued operations attributable to preferred shareholders of the parent (in Korean won) (*1)	26,737	(276)

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

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

(2) Diluted earnings (loss) per share

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

	For the years ended	
	December 31, 2025	December 31, 2024
Profit (loss) from continuing operations attributable to owners of the parent	₩ 127,399	₩ (1,277,431)
Profit (loss) from discontinued operations attributable to owners of the parent	1,470,099	(15,253)
Less: preference share dividends and residual profit (loss) (*1)	16,394	(13,237)
Less: numerator adjustment of cash-settled stock option	-	4,718
Profit (loss) for the year from continuing operations attributable to ordinary shareholders of the parent	₩ 126,094	₩ (1,269,068)
Profit (loss) from discontinued operations attributable to ordinary shareholders of the parent	1,455,010	(15,097)
Weighted-average number of ordinary shares outstanding	54,554,390	54,583,022
Diluted earnings (loss) per share from continuing operations attributable to ordinary shareholders of the parent (in Korean won)	₩ 2,311	₩ (23,250)
Diluted earnings (loss) per share from discontinued operations attributable to ordinary shareholders of the parent (in Korean won)	26,671	(275)

(\*1) Preferred shares are entitled to receive cash dividends at a rate 25% higher than that of ordinary shares.

**34. Earnings (loss) per share (cont'd)**

2) The basis for calculating the weighted-average number of diluted ordinary shares outstanding used in computing diluted earnings (loss) per share attributable to ordinary shareholders of the parent for the years ended December 31, 2025 and 2024 is as follows (in shares):

	For the years ended	
	December 31, 2025	December 31, 2024
Weighted-average number of issued shares outstanding	54,521,591	54,548,178
Adjustment: stock option	32,799	34,844
Weighted-average number of diluted ordinary shares outstanding	54,554,390	54,583,022

Diluted earnings (loss) per ordinary share attributable to owners of the parent is calculated based on the weighted-average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

**35. Transactions with related parties**

Intercompany transactions and related receivables and payables within the Group have been eliminated on consolidation. The details of and significant transactions with other related parties for the years ended December 31, 2025 and 2024, and the related receivable and payable balances as of December 31, 2025 and 2024 are as follows:

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

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

(\*1) These companies include companies that are not the related parties as defined in paragraph 9 of K-IFRS No. 1024 'Related Party Disclosures'. 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 'Related Party Disclosures'.

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**35. Transactions with related parties (cont'd)**

(2) Details of significant transactions with the related parties for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	Company name	December 31, 2025		
		Sales and others	Expenses and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 17,250	₩ 58,223	
	SABIC SK Nexlene Company Pte. Ltd.	17,867	222,276	
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	1,277	693,524	
	ChangZhou BTR New Material Technology Co., Ltd.	85,037	372,164	
	HSAGP ENERGY LLC	157,194	-	
	Ignis Therapeutics	4,175	-	
	Eurasia Tunnel	5,273	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	35,601	7	
	Yongin Ilban Industry Danji Co., Ltd.	610,202	64,423	
	Bloom SK Fuel Cell, LLC	2,539	723	
	Godeok Clean Energy Co., Ltd.	27,321	4,940	
	Boryeong LNG Terminal Co., Ltd. (*2)	23,126	124,709	
	F&U Credit Information Co., Ltd. (*2)	818	12,332	
	SK Hynix Inc.	7,311,034	33,346	
	Content Wave Co., Ltd.	11,053	59,667	
	Best Oil Company Ltd.	1,012,303	93	
	Asia Bitumen Trading Pte. Ltd.	2,913	11,991	
	Huizhou EVE United Energy Co., Ltd.	183,389	306,006	
	Sotra Link Holdco AS	127,706	-	
	Haman Green Energy Co., Ltd.	6,425	-	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	11,556	-	
	BLOOMENERGY CORPORATION (*2)	3,086	159,279	
	SK REIT Co., Ltd.	384,299	49,642	
	SMCore. Inc.	385	33,001	
	SK Shieldus Co., Ltd. (*3)	107,922	359,559	
	Others	295,030	203,245	
	Other related Parties (*1)	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	608	5,806
		Happynarae Co., Ltd.	7,984	308,238
		SK hynix Semiconductor (China) Ltd.	292,848	1,403
		SK hynix Semiconductor Hong Kong Ltd.	57	2,250,921
SK hynix NAND Product Solutions Asia Pacific LLC		-	275,066	
Korea Nexlene Company		196,101	268	
Ulsan Aromatics Co., Ltd.		67,944	81,909	
SK Gas Co., Ltd.		291,185	219,876	
SK Chemicals Co., Ltd.		50,375	21,692	
UNA Engineering Co., Ltd.		441	104,820	
Ulsan GPS Corporation		59,614	-	
SK Bioscience Co., Ltd.		158,722	-	
SK Multi utility Co., Ltd.		6,781	18,006	
Clean Energy REIT Co., Ltd.		4	31,821	
SK Eternix Co., Ltd.		2,355	-	
Others	329,439	389,887		
	₩ 11,909,239	₩ 6,478,863		

(\*1) Although the entity is not included in the scope of related parties as defined in K-IFRS No. 1024, it is an affiliates of the same large business group under *the Monopoly Regulation and Fair Trade Act*.

(\*2) As the stake was sold during the year ended December 31, 2025, it is no longer classified as a related party as of December 31, 2025. The transaction amount for the current period is the transaction amount up to the time when it is excluded from related parties.

(\*3) As Korea Security Holdings Co., Ltd. was dissolved due to a merger, it has been classified as an associate in the current period.

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**35. Transactions with related parties (cont'd)**

	Company name	December 31, 2024		
		Sales and others	Expenses and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 16,707	62,078	
	SABIC SK Nexlene Company Pte. Ltd.	5,471	187,403	
	Sinopec-SK(Wuhan) Petrochemical Co., Ltd.	1,151	493,321	
	ChangZhou BTR New Material Technology Co., Ltd.	69,023	291,235	
	Ignis Therapeutics	35,843	-	
	Eurasia Tunnel	8,022	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	4,600	-	
	Yongin Ilban Industry Danji Co., Ltd.	547,888	7,223	
	Bloom SK Fuel Cell, LLC	3,016	53,960	
	Godeok Clean Energy Co., Ltd.	40,393	7,418	
	Chuncheon Green Energy Inc.	3,836	-	
	Boryeong LNG Terminal Co., Ltd.	28,052	137,205	
	Darwin LNG Pty Ltd.	179	-	
	F&U Credit Information Co., Ltd.	3,634	72,895	
	SK Hynix Inc.	3,500,931	41,586	
	Best Oil Company Ltd.	1,106,077	2,649	
	Asia Bitumen Trading Pte. Ltd.	20,232	8,680	
	Huizhou EVE United Energy Co., Ltd.	64,969	424,533	
	Sotra Link Holdco AS	128,532	-	
	Daehan Kanggun BCN Co. Ltd.	28,671	-	
	Haman Green Energy Co., Ltd.	140,315	1	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	142,246	233	
	Goseong Green Power Co., Ltd.	2,361	-	
	Songsan Green Energy Co.,Ltd.	135,241	-	
	DCK One Co., Ltd.	276,492	-	
	BLOOMENERGY CORPORATION	270	366,482	
	SMCore. Inc.	342	75,969	
	HCS001, LLC	3,044	-	
	Others	620,704	401,363	
	Other related Parties (*1)	Peru LNG Company LLC (*2)	55,875	-
		Baic Electronics SK (Jiangsu) Technology Co., Ltd.	16,746	341,034
		XINGLU (HONGKONG) LIMITED	25,271	-
		Happynarae Co., Ltd.	30,406	431,823
SK hynix Semiconductor (China) Ltd.		313,021	1,278	
SK hynix Semiconductor Hong Kong Ltd.		4	643,886	
Korea Nexlene Company		162,855	116	
Ulsan Aromatics Co., Ltd.		148,765	89,492	
SK Gas Co., Ltd.		466,654	210,578	
SK Chemicals Co., Ltd.		51,732	5,095	
SK Shieldus Co., Ltd. (*3)		105,391	480,435	
UNA Engineering Co., Ltd.		1,094	213,236	
Ulsan GPS Corporation		179,319	-	
SK Bioscience Co., Ltd.		107,264	547	
SK Multi utility Co., Ltd.		167,027	18,850	
SK Eternix Co., Ltd.		3,456	26	
Others		306,140	229,025	
	₩ 9,079,262	5,299,655		

(\*1) Although, the entity is not included in the scope of related parties as defined in K-IFRS No. 1024, it is an affiliates of the same large business group under *the Monopoly Regulation and Fair Trade Act*.

(\*2) As the entire stake was sold during the year ended December 31, 2024, it is no longer classified as a related party as of December 31, 2025. The transaction amount for the prior period is the transaction amount up to the time when it is excluded from related parties.

(\*3) As Korea Security Holdings Co., Ltd. was dissolved due to a merger, it has been classified as an associate in the current period.

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**35. Transactions with related parties (cont'd)**

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

		December 31, 2025		
Company name		Receivables and others (*1)	Payables and others	
Investments in associates and joint ventures	Daehan Oil Pipeline Corporation	₩ 155	₩ 1,862	
	SABIC SK Nexlene Company Pte. Ltd.	4,605	18,314	
	Sinopec-SK (Wuhan) Petrochemical Co., Ltd.	-	1,411	
	ChangZhou BTR New Material Technology Co., Ltd.	23,316	93,498	
	Yemen LNG Company Ltd.	109,561	-	
	HSAGP ENERGY LLC	23,522	54	
	Ignis Therapeutics	1,435	7,617	
	Eurasia Tunnel	49,388	-	
	SK E&C JURONG Investment Singapore Pte., Ltd.	74,395	-	
	XE-PIAN XE-NAMNOY POWER COMPANY LIMITED.	148,654	-	
	Yongin General Industrial Complex Co., Ltd.	1,925	8,361	
	Bloom SK Fuel Cell, LLC	6,711	781	
	Godeok Clean Energy Co., Ltd.	11,392	50	
	SK Hynix Inc.	1,639,617	221,472	
	Content Wavve Corp.	177,474	6	
	Best Oil Company Ltd.	-	18,290	
	Huizhou EVE United Energy Co., Ltd.	46,070	57,971	
	Mastern No.93 Logispoint Gimpo PFV Co., Ltd.	39,048	-	
	Goseong Green Power Co., Ltd.	62,026	1,458	
	SK REIT Co., Ltd. (*3)	44,595	338,068	
	SMCore. Inc.	146	5,761	
	SK Shieldus Co., Ltd. (*4)	64,402	47,847	
	Others	227,054	79,997	
	Other related Parties (*2)	Baic Electronics SK (Jiangsu) Technology Co., Ltd.	6,246	29,296
		Happynarae Co., Ltd.	735	29,098
		SK hynix Semiconductor (China) Ltd.	46,994	572
		SK hynix Semiconductor Hong Kong Ltd.	-	910,391
SK hynix NAND Product Solutions Asia Pacific LLC		-	46,853	
Korea Nexlene Company		13,936	204	
Ulsan Aromatics Co., Ltd.		7,090	7,743	
SK Gas Co., Ltd.		11,409	49,069	
SK Chemicals Co., Ltd.		6,906	965	
UNA Engineering Co., Ltd.		255	9,297	
Ulsan GPS Corporation		48,277	484	
SK Bioscience Co., Ltd.		15,208	611	
Clean Energy REIT Co., Ltd.		25,184	167,831	
SK Multi utility Co., Ltd.		7,204	4,220	
Others		79,463	98,338	
		₩ 3,024,398	₩ 2,257,790	

(\*1) The Group recognized bad debt expense amounting to ₩14,845 million for the year ended December 31, 2025. The Group recognized the allowance for doubtful accounts amounting to ₩263,449 million, as of December 31, 2025.

(\*2) Although, the entity is not included in the scope of related parties as defined in K-IFRS No. 1024, it is an affiliates of the same large business group under *the Monopoly Regulation and Fair Trade Act*.

(\*3) The investment was reclassified from subsidiaries to associates at the end of the prior period.

(\*4) As Korea Security Holdings Co., Ltd. was dissolved through a merger, it has been classified as an associate in the current period.

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**35. Transactions with related parties (cont'd)**

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

(\*1) The Group recognized bad debt expense and reversal amounting to ₩88,362 million for the year ended December 31, 2024. The Group recognized the allowance for doubtful accounts amounting to ₩260,581 million as of December 31, 2024.

(\*2) Due to disposal and other reasons during the period, the entity is no longer classified as a related party as of the end of the period.

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

(\*4) It was reclassified from investments in associates to other related parties during the current period.

(\*5) As Korea Security Holdings Co., Ltd. was dissolved through a merger, it has been classified as an associate in the current period.

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**35. Transactions with related parties (cont'd)**

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

Company	Currency	December 31, 2025		December 31, 2024	
		Loans	Collection	Loans	Collection
Yemen LNG Company Ltd.	KRW	6,402	-	7,271	-
KCMT Co., Ltd.	KRW	-	-	3,825	-
Jincheon Megapolis Industrial Complex Co., Ltd.	KRW	1,235	(2,435)	1,200	-
HCM001, LLC	KRW	-	(2,870)	-	-
Samam Solar Co., Ltd.	KRW	107	(293)	912	(29)
Admi Solar Co., Ltd	KRW	4	(572)	660	(92)
Darwin LNG Pty Ltd.	KRW	-	-	23,180	(84,125)
SK Telecom CS T1 Co., Ltd.	KRW	-	-	2,921	-
SK Growth Opportunities Corporation (*1)	USD	-	(6,960)	1,340	-

(\*1) As it was liquidated due to merger with Webull during the year ended December 31, 2025, it is no longer classified as a related party as of the end of the period. The transaction amount for the current and prior periods is the transaction amount up to the time when it is excluded from related parties.

(5) There were additional capital contribution transactions for investments in associates and joint ventures for the years ended December 31, 2025 and 2024 (See Note 11).

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**35. Transactions with related parties (cont'd)**

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

Guarantor	Guarantee	Currency	Amount	Description of guarantee
SK Innovation Co., Ltd.	SK On Co., Ltd.	KRW	2,579,600	Guarantee of debt
	SK Earthon Co., Ltd.	USD	9,500	Guarantee of mandatory work load
	SK Battery Manufacturing Kft.	HUF	34,194,000	Guarantee of local factory construction
		USD	500,000	Guarantee of debt
	SK Battery America, Inc.	USD	700,000	Guarantee of debt
	BlueOval SK, LLC	USD	3,101,000	Performance guarantees for capital contributions(*1)
	E&S City Gas Co., Ltd.	KRW	2,400,000	Performance guarantees for redemption of redeemable convertible preferred stock
	E&S City Gas Busan Co., Ltd.	KRW	735,000	Performance guarantees for redemption of redeemable convertible preferred stock
	LNG Americas, Inc.	USD	897,730	Guarantee for derivative hedge and Others
	Paju Energy Service Co., Ltd.	KRW	110,000	Guarantee of debt
	Narae Energy Service Co., Ltd.	KRW	50,000	Guarantee of debt
	Yeoju Energy Service Co., Ltd.	KRW	70,000	Guarantee of debt
	Prism Energy International Pte. Ltd.	USD	430,000	Guarantee for derivative hedge and Others
	IGE Co., Ltd.	KRW	130,000	Guarantee of debt
	BU12 Australia Pty. Ltd.	USD	331,261	Guarantee for BU gas field recovery cost
	BU13 Australia Pty. Ltd.			Guarantee for BU gas field recovery cost
	SK On Co., Ltd. (*2)	SK On Hungary Kft.	USD	2,074,684
SK Battery America, Inc.		USD	2,490,000	Guarantee of debt
		USD	44,000	Performance guarantee for contract and others
	SK Battery Manufacturing Kft.	USD	858,000	Guarantee of debt
SK Innovation Co., Ltd. and SK On Co., Ltd.	SK On Yancheng Co., Ltd.	CNY	5,310,000	Guarantee of debt
	SK On Hungary Kft.	HUF	9,809,730	Guarantee of local factory construction
SK ie technology Co., Ltd.	BlueOval SK, LLC	USD	4,941,520	Guarantee of debt
	SK hi-tech battery materials Poland sp. z o.o.	USD	580,000	Guarantee of debt
SK Energy International Pte., Ltd.	SK Energy Europe, Ltd.	USD	85,000	Guarantee of PCG
SK Geo Centric Co., Ltd.	SK Energy Americas, Inc.	USD	320,000	Guarantee of PCG
	SK GC Americas, Inc.	USD	140,000	Guarantee of debt
	SK Functional Polymer, S.A.S.	EUR	206,000	Guarantee of debt
PRISM Energy International Americas, Inc. (Formerly, SK E&S Americas, Inc.)	LNG Americas, Inc.	USD	146,842	Performance guarantee for contract and others
SK Ecoplant Co., Ltd	PassKey, Inc.	USD	52,313	Performance guarantee for contract
	HI-TECH ENGINEERING PARTNERS LLC	USD	58,359	Performance guarantee of construction and others
	SK Ecoplant Americas Corporation	USD	35,000	Guarantee of debt and others
	SK Ecoengineering Co., Ltd.	KRW	242,918	Joint liability joint debt
	SK Oceanplant Co., Ltd.	USD	107,365	Performance guarantee for contract
	SEONGJU TECH CO.,LTD.	KRW	17,000	Conditional debt acquisition
	HOLRIDEU 1ST CO.,LTD.	KRW	37,711	Cash deficiency support
	KARON 1ST CO.,LTD.	KRW	44,588	Cash deficiency support
	ELEECHIKAELEEDEURAEAGON 2ND CO.,LTD.	KRW	47,651	Joint guarantee
	WALEEWON 1ST CO.,LTD.	KRW	53,349	Cash deficiency support
	WALEEWON 2ND CO.,LTD.	KRW	74,341	Cash deficiency support
SK TES PTE. LTD.	TES-AMM (MALAYSIA) SDN. BHD.	MYR	2,000	Guarantee of debt
	TES Sustainable Battery Solutions GmbH	EUR	3,512	Performance guarantee for contract
SK Networks Co., Ltd.	SK Networks Hong Kong Ltd.	USD	66,600	Standing surety for investee
SKC Co., Ltd.	Absolics Inc.	USD	187,000	Guarantee of payment
SK Siltron Co., Ltd.	SK Siltron CSS, LLC	USD	550,367	Guarantee of debt
	SK Siltron USA, Inc.	USD	343,000	Guarantee of debt
SK Pharmteco Inc.	Center For Breakthrough Medicines Holdings, LLC	USD	20,000	Performance guarantee for contract
	Yposkesi, SAS	EUR	20,000	Guarantee of payment

**SK Inc. and its subsidiaries**  
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**35. Transactions with related parties (cont'd)**

(\*1) SK Innovation Co., Ltd., a subsidiary, provides a capital contribution guarantee to Blue Oval SK, LLC, Ford Motor Company, and Ford affiliates, with a limit of USD 3,101 million.

(\*2) SK On Co., Ltd., a subsidiary, provides a performance guarantee jointly with Ford Motor Company to the Megasite Authority of West Tennessee in the event that BlueOval SK, LLC, a subsidiary, is unable to fulfill its payment obligations related to the development guarantee of the Megasite in Tennessee.

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

Key management personnel consist of registered executives who are responsible for the planning, operation and control of the Group's business activities. Details of compensation for them for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Salaries	₩ 8,413	₩ 7,381
Provision for pension benefits	2,579	2,645
Share-based payment expenses (reversal)	280	(793)
	₩ 11,272	₩ 9,233

**36. Discontinued operations, assets held for sale and related liabilities**

(1) Details of discontinued operations

During the prior period, the Parent Company decided to sell a portion of its equity interest in SK Specialty Co., Ltd., and accordingly classified the related interest as assets held for sale as of December 31, 2024. Consequently, related gains and losses were classified as discontinued operations and the disposal was fully completed during the year ended December 31, 2025.

SK Networks Co., Ltd., a subsidiary of the Group, decided to discontinue operations with the sale of its China business and to discontinue operations of SK intellix Co., Ltd. (formerly SK Magic Co., Ltd.) home appliance division and reclassify it as assets held for sale as of December 31, 2024.

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

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

SKC Co., Ltd., a subsidiary of the Group, decided during the year ended December 31, 2024, as per the resolution of its board of directors, to sell the CMP PAD business division of SK Enpulse Co., Ltd. and the thin-film business of SK Nexilis Co., Ltd., and to sell Ultimus Co., Ltd. Accordingly, the related gains and losses were classified discontinued operations. The sales of the thin-film business division, the CMP PAD business division, and Ultimus Co., were completed during the year ended December 31, 2025.

**SK Inc. and its subsidiaries**  
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**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

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

SKC Co., Ltd., a subsidiary of the Group, decided during year ended December 31, 2025, as per the resolution of its board of directors, to transfer the BlankMask business division of SK Enpulse Co., Ltd.. Accordingly, the related gains and losses were classified of discontinued operations.

SKC Co., Ltd., a subsidiary of the Group, decided during year ended December 31, 2025, as per the resolution of its board of directors, to transfer to the CMPSlurry business division of SK Enpulse Co., Ltd.. Accordingly, the related gains and losses were classified discontinued operations.

SK Ecoplant Co., Ltd., a subsidiary of the Group, decided during year ended December 31, 2025, to sell RenewUs Co., Ltd., RenewOne Co., Ltd., Renewenergy Chungbuk Co., Ltd., and 22 other companies. Accordingly, the related gains and losses were classified of discontinued operations, and the sales were fully completed during the year ended December 31, 2025.

SK Innovation Co., Ltd., a subsidiary of the Group, decided during year ended December 31, 2025, to sell SK Primacor Americas LLC, SK Primacor Europe, S.L.U. and SK Functional Polymer, S.A.S. Accordingly, the related gains and losses were classified discontinued operations.

SK Square Co., Ltd., a subsidiary of the Group, sold its music platform business due to a stock trading contract for its stake in Dreamus Company Co., Ltd. held during the year ended December 31, 2025, and the related gains and losses were classified of discontinued operations.

(2) Gain and loss from the discontinued operation for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For year ended December 31, 2025							Total
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Environmental business in SK Ecoplant Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.	EAA/FPt business in SK Innovation Co., Ltd.	Music platform business in SK Square Co., Ltd.		
Revenue	₩ 10,399	₩ 41,197	₩ 421,536	₩ 169,435	₩ 462,541	₩ 206,368	₩ 1,311,476	
Cost of sales	8,679	38,632	371,232	174,913	452,882	168,659	1,214,997	
Selling and administrative expenses	9,480	23,533	68,128	34,701	63,831	37,948	237,621	
Finance income	411	264	3,371	1,793	9,621	9,170	24,630	
Finance costs	4,821	385	37,998	9,116	41,987	1,710	96,017	
Other non-operating income	462	943	1,973	7,881	106	1,923	13,288	
Other non-operating expenses	421	3,684	1,330	4,976	2,277	5,798	18,486	
Recognized gains (losses) from measuring or disposing of assets or disposal group included in discontinued operations at net fair value	635	211,016	(177,732)	2,517,715	(426,616)	(16,349)	2,108,669	
Share of profit (loss) of equity- accounted investees	-	-	684	-	-	(382)	302	
Income tax expense (benefit)	(2,120)	51,166	(10,217)	644,490	7,305	1,197	691,821	
Profit for the year from discontinued operations	(9,374)	136,020	(218,639)	1,828,628	(522,630)	(14,582)	1,199,423	
Attributable to:								
Owners of the Parent Company	(4,467)	61,445	(139,487)	1,828,628	(274,204)	(1,816)	1,470,099	
Non-controlling interests	(4,907)	74,575	(79,152)	-	(248,426)	(12,766)	(270,676)	

**SK Inc. and its subsidiaries**  
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**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

	For year ended December 31, 2024							Total
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Environmental business in SK Ecoplant Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.	EAA/FPt business in SK Innovation Co., Ltd.	Music platform business in SK Square Co., Ltd.		
Revenue	₩ 1,166,917	₩ 220,750	₩ 583,053	₩ 708,409	₩ 447,324	₩ 256,753	₩ 3,383,206	
Cost of sales	890,400	190,116	466,771	497,154	421,768	206,750	2,672,959	
Selling and administrative expenses	191,330	51,004	107,700	92,206	65,764	58,015	566,019	
Finance income	6,107	4,023	3,978	13,192	3,320	5,371	35,991	
Finance costs	86,212	8,587	37,668	37,978	37,034	3,108	210,587	
Other non-operating income	82,454	3,243	3,694	9,040	2	197	98,630	
Other non-operating expenses	81,269	2,178	115,559	5,042	3,489	12,366	219,903	
Recognized gains (losses) from measuring or disposing of assets or disposal groups included in discontinued operations at net fair value	31,497	179,760	-	(57,393)	-	-	153,864	
Share of profit (loss) of equity-accounted investees	-	-	896	-	-	148	1,044	
Income tax expense (benefit)	12,733	33,801	(15,305)	9,058	(7,221)	711	33,777	
Profit for the year from discontinued operations	25,031	122,090	(120,772)	31,810	(70,188)	(18,481)	(30,510)	
Attributable to:								
Owners of the Parent Company	12,903	55,309	(73,150)	31,810	(39,848)	(2,277)	(15,253)	
Non-controlling interests	12,128	66,781	(47,622)	-	(30,340)	(16,204)	(15,257)	

(3) Details of cash flows relating to discontinued operations for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For year ended December 31, 2025					
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Environmental business in SK Ecoplant Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.	EAA/FPt business in SK Innovation Co., Ltd.	Music platform business in SK Square Co., Ltd.
Cash flows from operating activities	₩ (34,619)	₩ (343,065)	₩ 43,352	₩ 5,321	₩ 47,435	₩ (12,050)
Cash flows from investing activities	482	348,964	(55,027)	61,395	(32,803)	(57,975)
Cash flows from financing activities	4,084	171	14,924	(28,036)	(14,404)	(5,996)
Net foreign exchange effects	-	-	-	807	-	(12)
Increase (decrease) in cash and cash equivalents	(30,053)	6,070	3,249	39,487	228	(76,033)

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**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

	For year ended December 31, 2024					
	Rental car business and others in SK Networks Co., Ltd.	Industrial materials business and others in SKC Co., Ltd.	Environmental business in SK Ecoplant Co., Ltd.	SK Specialty Co., Ltd. held by SK Inc.	EAA/FPt business in SK Innovation Co., Ltd.	Music platform business in SK Square Co., Ltd.
Cash flows from operating activities	₩ 165,246	₩ (364,630)	₩ 67,822	₩ 248,175	₩ 57,427	₩ 31,955
Cash flows from investing activities	(58,743)	747,512	(119,274)	(89,865)	(44,417)	(2,726)
Cash flows from financing activities	150,521	1,718	40,983	(166,729)	(21,914)	(2,922)
Net foreign exchange effects	-	-	-	-	-	1,514
Increase (decrease) in cash and cash equivalents	257,024	384,600	(10,469)	(8,419)	(8,904)	27,821

(4) Summary of assets and liabilities held for sale

The Parent company decided to sell its entire stake in ESR Cayman Limited prior to the previous year and classified related assets and liabilities as held-for-sale. The sales were fully completed for the year ended December 31, 2025.

The Parent company decided, before the prior period, 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. As of December 31, 2025, the net fair value was lower than the carrying amount, and accordingly, an impairment loss of ₩19,761 million was recognized. Meanwhile, the parent company completed the sale of some of its shares (2,936,225 shares) during the prior period, and the gains and losses on disposal recognized in connection with the sale of the shares are ₩20,847 million.

For the year ended December 31, 2024, the Parent Company decided to sell a portion of stake in SK Specialty Co., Ltd, and classified related assets and liabilities as held for sale. The sales were fully completed for year ended December 31, 2025.

For the year ended December 31, 2025, the Parent Company decided to sell its entire stake in ION Clean Energy, Inc. and classified related assets and liabilities as held for sale. The sales were fully completed for year ended December 31, 2025.

For the year ended December 31, 2025, the Parent Company decided to sell its entire stake in SK powertech, Inc. and classified related assets and liabilities as held for sale. The sales were fully completed for year ended December 31, 2025.

For the year ended December 31, 2025, as the Parent Company has decided to contribute all its shares in SK materials Group14 Co., Ltd. as an in-kind contribution, these shares have been classified as assets held for sale. The in-kind contribution was fully completed during year ended December 31, 2025.

For the year ended December 31, 2025, SK South East Asia Investment Pte. Ltd., a subsidiary of the Group, decided to dispose of its entire equity interest in Imexpharm Corporation, and accordingly, the relevant investment was classified as assets held for sale.

Saturn Agriculture Investment Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in Joyvio Group Co., Ltd. and classified related assets and liabilities as held for sale.

**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

SKC Co., Ltd., a subsidiary of the Group, has classified the related assets and liabilities as held for sale as SKC PU Specialty Co., Ltd. is in the process of liquidation. Meanwhile, the liquidation was completed for year ended December 31, 2025.

According to the decision of the board of directors for the year ended December 31, 2024, SKC Co., Ltd., a subsidiary of the Group, decided to transfer the CMP PAD business division of SK Enpulse Co., Ltd. and the thin-film business of SK Nexilis Co., Ltd. as well as to sell Ultimus Co., Ltd.. Accordingly, the related assets and liabilities have been classified as held for sale, and the sales were fully completed for year ended December 31, 2025.

According to the decision of the board of directors for the year ended December 31, 2025, SKC Co., Ltd., a subsidiary of the Group, decided to transfer the BlankMask business division and CMP Slurry business division of SK Enpulse Co., Ltd., and classified related assets and liabilities as held for sale. The disposal of the CMP Slurry business division was fully completed during the current period.

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

SK Energy Co., Ltd., a subsidiary of the Group, entered into a sale agreement to sell the shares of its investment in associates in MMP Korea Co., Ltd. on November 21, 2025. Accordingly, the related assets have been classified as held for sale. In accordance with the agreement, the sale will be completed on March 31, 2026 and the control over investment in associates will be transferred to acquirer.

SK On Co., Ltd., a subsidiary of the Group, resolved on November 19, 2025, to dispose of its entire equity interest (49%) in Huizhou EVE United Energy Co., Ltd. and to enter into a related contract under which it will receive a 30% equity interest in SK On Jiangsu Co., Ltd. and CNY 2 million from EVE Power Hongkong Co., Ltd. and Hubei Yiwei Power Co., Ltd., respectively. Accordingly, the related equity interest was classified as assets held for sale.

On December 9, 2025, SK On Co., Ltd., a subsidiary, entered into an agreement with Ford Motor Company ("Ford") to terminate the joint venture operations of BlueOval SK, LLC ("BOSK") as part of the rebalancing of its North America battery business. Under the agreement, the assets and liabilities related to BOSK's Kentucky Plant 1 and Plant 2 will be transferred to Ford, and Ford's equity interest in BOSK will be reduced upon closing. The transfer procedures are expected to be completed in the first half of 2026. SK On Co., Ltd. classified the assets and liabilities to be transferred to Ford as assets held for sale and measured them at the lower of their carrying amount and fair value less costs to sell. As the estimated fair value less costs to sell estimated was lower than the carrying amount, an impairment loss of ₩3,491,734 million (buildings: ₩2,789,398 million; machinery and equipment: ₩676,596 million; construction in progress: ₩25,740 million) was recognized.

SK Energy International Pte., Ltd., a subsidiary of the Group, entered into a sale agreement on January 9, 2026, to dispose of its entire equity interest in Horizon Singapore Terminals Pte. Ltd., and accordingly classified the related investment in an associate as assets held for sale as of the end of the reporting period. The disposal procedures were completed in January 2026.

**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

For the year ended December 31, 2025, SK Innovation Co., Ltd., a subsidiary of the Group, decided to dispose of SK Primacor Americas LLC, SK Primacor Europe, S.L.U., SK Functional Polymer, S.A.S., Onepol Co., Ltd., and Ningbo SK Performance Rubber Co., Ltd., and accordingly classified the related assets and liabilities as assets and liabilities held for sale. The disposals of SK Primacor Americas LLC, SK Primacor Europe, S.L.U., SK Functional Polymer, S.A.S., and Onepol Co., Ltd. are expected to be completed within 2026. Meanwhile, the disposal of Ningbo SK Performance Rubber Co., Ltd. was completed in January 2026.

SK Ecoplant Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in Ascend Elements, Inc., and accordingly, the remaining shares were classified as assets held for sale during the year ended December 31, 2024. However, during year ended December 31, 2025, the shares were reclassified to investments in associates due to cancellation of planning for sale. It is also reclassified to investments in associates in the comparative statement of financial position as of December 31, 2024.

SK Ecoplant Co., Ltd., a subsidiary of the Group, decided to sell its contractual rights related to the environmental business and its equity interests in consolidated subsidiaries, including RenewUs Co., Ltd., RenewEnergy Chungbuk Co., Ltd., RenewOne Co., Ltd., and 22 other companies. Accordingly, the related assets and liabilities were classified as assets and liabilities held for sale, and the sales were fully completed for year ended December 31, 2025.

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

SK Telecom Co., Ltd., a subsidiary of the Group, decided during the current year to sell its entire stakes in SK Stoa Co., Ltd.. Accordingly, the assets and liabilities of SK Stoa Co., Ltd. were classified as held for sale.

SK Broadband Co., Ltd., a subsidiary of the Group, decided during the current year to sell its entire stakes in Media S Co., Ltd. Accordingly, the assets and liabilities of Media S Co., Ltd. were classified as held for sale.

Tmap Mobility Co., Ltd., a subsidiary of the Group, decided to sell its entire stake in UT LLC, an equity-method investee, to Uber B.V. following the approval of the board of directors for the year ended December 31, 2024. As a result, the entire stake in the equity-method investee was classified as non-current assets held for sale. The transaction was completed during year ended December 31, 2025.

Dreamus Company Co., Ltd., a subsidiary of the Group, decided to sell its entire iRiver business division to Miwang Co., Ltd. following the approval of the board of directors on December 30, 2024. As a result, the disposal group related to the business division was classified as held for sale. The transaction was completed during year ended December 31, 2025.

For the year ended December 31, 2025, SK Square Co., Ltd., a subsidiary of the Group, decided to dispose of the music streaming platform business of Dreamus Company Co., Ltd., which it holds, and accordingly classified the related assets and liabilities as assets and liabilities held for sale. The disposal was completed during year ended December 31, 2025.

As SK Networks Co., Ltd., a subsidiary of the Group, decided, before the prior period, to dispose of its China business and the home appliance business division of SK Intellix Co., Ltd., the related assets and liabilities were classified as assets and liabilities held for sale.

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**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

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

		December 31, 2025		
		Assets	Liabilities	
Investment securities	Joyvio Group Co., Ltd. (*1)	₩ 26,614	₩ -	
	Cleantech Corp.	11,000	-	
	X-Times Design Automation Co., LTD	11,228	-	
	Other Investment securities (*1)	4	-	
Business segment	BlankMask business segment	62,454	1,921	
	China business segment	56,784	2,094	
	Home appliances business segment	1,238	-	
Subsidiaries	ONEPOL Co., Ltd., Ningbo SK	934,503	476,406	
	Performance Rubber Co., Ltd., SK			
	Primacor Americas LLC, SK Primacor			
	Europe, S.L.U., SK Functional Polymer, S.A.S			
	IMEXPHARM CORPORATION	287,133	38,717	
	SK Stoa Co., Ltd., Media S Co., Ltd.	142,602	67,108	
Associates	Huizhou EVE United Energy Co.,Ltd	467,297	-	
	SOCAR, Inc.	33,679	-	
	Horizon Singapore Terminals Pte. Ltd.	17,700	-	
	MMP Korea Co., Ltd.	2,500	-	
	SK Electlink Co., Ltd.	1,780	-	
	DAEKYO Contents Investment Fund I	746	-	
Others	Property, plant and equipment and and long-term borrowings	5,888,692	5,413,464	
		<u>₩ 7,945,954</u>	<u>₩ 5,999,710</u>	

(\*1) Partially sold for year ended December 31, 2025.

**SK Inc. and its subsidiaries**  
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**36. Discontinued operations, assets held for sale and related liabilities (cont'd)**

		December 31, 2024	
		Assets	Liabilities
Investment securities	ESR Cayman Limited	₩ 221,536	₩ -
	Hebei Kuntian New Energy Co., Ltd.	61,348	-
	Chipone Technology (Beijing) Co., Ltd.	45,890	-
	Digital Content Korea Investment Association	3,395	-
	Central Convergence Content Technology Investment Association	884	-
	P&I Cultural Innovation Investment Association	818	-
	Business segment		
	China business segment	81,830	3,556
Home appliances business segment	5,316	-	
Semiconductor materials business segment	84,188	3,109	
Thin-film business segment	96,939	1,939	
IRIVER business division	9,426	4,423	
Subsidiaries	SK Specialty Co., Ltd.	1,378,158	861,591
	Ultimus Co., Ltd.	24,838	386
	SK Communications Co., Ltd., SK M&Service Co., Ltd.	151,726	106,352
Associates	SOCAR, Inc.	53,439	-
	DAEKYO Contents Investment Fund I	746	-
	F&U Credit Information Co., Ltd.	11,138	-
	Joyvio Group Co., Ltd.	138,165	-
	Vingroup JSC	541,581	-
	Maroon Bells	22,050	-
	Masan Group Corporation	112,078	-
	UT LLC	5,471	-
Joint operations	Partial stake in PT. Patra SK	31,743	5,418
Others	Property, plant and equipment and others	9,596	-
		<u>₩ 3,092,299</u>	<u>₩ 986,774</u>

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**37. Cash flow information**

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

	For the years ended	
	December 31, 2025	December 31, 2024
Provision for pension benefits	₩ 395,117	₩ 436,312
Depreciation	6,632,112	6,530,626
Amortization	1,663,001	1,853,262
Bad debt expenses	271,781	97,947
(Reversal of) Valuation loss on inventories	324,404	(97,586)
Interest expenses	3,137,524	3,870,080
Loss on foreign currency translation	377,284	1,294,128
Loss on valuation of derivatives	1,998,318	643,991
Loss on disposal of trade receivables	67,078	79,486
Loss on impairment of investments in associates and joint ventures	405,215	429,910
Loss on disposal of property, plant and equipment	242,070	211,269
Loss on impairment of property, plant and equipment	5,430,883	267,225
Loss on disposal of intangible assets	18,049	39,546
Loss on impairment of intangible assets	1,357,900	1,634,660
Tax expense	972,990	781,530
Share of profit of equity-accounted investees, net	(8,838,513)	(3,812,926)
Interest income	(854,191)	(946,002)
Gain on foreign currency translation	(605,617)	(926,089)
Gain on valuation of derivatives	(718,719)	(706,277)
Dividend income	(69,233)	(58,133)
Gain on disposal of investments in associates and joint ventures	(4,834,031)	(959,796)
Reversal of loss on impairment of investments in associates	(174,423)	(12,553)
Gain on disposal of property, plant and equipment	(537,971)	(245,707)
Gain on disposal of intangible assets	(35,707)	(36,469)
Gain on disposal of assets held for sale	(225,239)	(283,812)
Others	627,041	968,380
	₩ 7,027,123	₩ 11,053,002

**SK Inc. and its subsidiaries**  
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**37. Cash flow information (cont'd)**

(2) Details of working capital adjustments for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For the years ended	
	December 31, 2025	December 31, 2024
Inventories	₩ (326,422)	₩ 1,465,669
Trade receivables	(277,735)	774,465
Other receivables	(108,550)	795,571
Trade payables	14,866,009	5,135,345
Other payables	(14,245,551)	(7,089,806)
Advances received	283,046	130,858
Retirement benefits	(702,526)	(661,464)
Plan assets	132,744	234,627
Others	(588,848)	161,409
	₩ (967,833)	₩ 946,674

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

	For the years ended	
	December 31, 2025	December 31, 2024
Increase (decrease) in other payables due to acquisition of property, plant and equipment and intangible assets	₩ (1,051,540)	₩ 864,463

(4) Details of changes in liabilities arising from financing activities for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	For year ended December 31, 2025				
	Beginning balance	Cash flows from financing activities	Non-cash transaction		Ending balance
			New lease	Others (*1)	
Short-term borrowings	₩ 20,002,596	₩ (7,806,073)	₩ -	₩ (482,357)	₩ 11,714,166
Bonds payable and long-term borrowings	62,862,015	4,587,746	-	(7,016,318)	60,433,443
Lease liabilities	5,243,686	(984,687)	974,384	(290,599)	4,942,784
Dividends payable	1,382	(1,544,365)	-	1,556,429	13,446
	₩ 88,109,679	₩ (5,747,379)	₩ 974,384	₩ (6,232,845)	₩ 77,103,839

(\*1) It includes changes resulting from depreciation, amortization, increases or decreases due to foreign exchange fluctuations, amounts reclassified to assets held for sale, and others.

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**37. Cash flow information (cont'd)**

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

(\*1) It includes changes resulting from depreciation, amortization, increases or decreases due to foreign exchange fluctuations, amounts reclassified to assets held for sale, and others.

**SK Inc. and its subsidiaries**  
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**38. Commitments and contingencies**

(1) Commitments with financial institutions as of December 31, 2025 are as follows (Korean won in millions and foreign currencies in thousands):

Segments	Financial Institutions	Currency	Details of the commitments	Commitments limit amount	Unused amount	
SK Inc.	KEB Hana Bank	KRW	Overdraft	5,000	5,000	
	KEB Hana Bank and others	USD	Letter of credit	14,000	14,000	
	Shinhan Bank	KRW	Bill acceptance	400,000	400,000	
	Shinhan Bank	KRW	Bill discounting	20,000	20,000	
	KEB Hana Bank and others	USD	Guarantee of payment	17,000	17,000	
	KEB Hana Bank and others	KRW	General loan	540,000	20,000	
	KEB Hana Bank and others	KRW	Limit loan	1,290,000	1,290,000	
SK Innovation Co., Ltd.	KEB Hana Bank and others	USD		50,000	50,000	
		KRW	Fulfillment of trade	475,800	136,667	
		USD		11,718,000	9,326,000	
	Shinhan Bank and others	CNY			2,146,000	1,941,000
		EUR			122,000	86,000
		KRW	Factoring and general loan	4,169,845	1,880,816	
		USD		7,447,000	3,742,000	
		CNY		8,499,000	6,372,000	
	Woori Bank and others	JPY			2,500,000	2,500,000
		EUR			79,000	62,000
		KRW	Fund for facility loan	1,511,874	88,265	
		USD		2,807,000	-	
		CNY		5,850,000	1,184,000	
SK Ecoplant Co., Ltd.	Shinhan Bank and others	KRW	Derivatives	382,857	-	
		USD		822,000	-	
	Kookmin Bank and others	EUR			10,000	10,000
		KRW	Overdraft	40,000	40,000	
		USD	Overdraft	50,000	-	
	KEB Hana Bank and others	KRW	Secured loan of credit sales	225,384	211,884	
		KRW	Limit loan	1,183,764	756,785	
SKC Co., Ltd.	Shinhan Bank and others	USD		15,000	15,000	
		KRW	Acquisition finance loan	47,620	14,300	
	KEB Hana Bank and others	USD		32,843	30,062	
		KRW	Loan agreement	3,138,547	591,829	
	SF Train 1st	USD		684,250	95,049	
		KRW	Guarantee of payment	36,000	13,099	
	KEB Hana Bank and others	KRW	Asset backed loan	50,000	30,000	
		KRW	Borrowings secured by trade receivables	38,000	38,000	
	SK Square Co., Ltd.	KEB Hana Bank and others	KRW	Overdraft	8,000	8,000
			KRW	Limit loan	232,000	232,000
Nonghyup Bank and others		KRW	General loan	150,000	150,000	
		KRW	Overdraft	21,000	21,000	
KEB Hana Bank and others		KRW	Guarantee of payment	2,000	1,000	
		KRW	Limit loan	436,100	368,118	
Samsung Card		KRW	Guarantee of payment	24,000	24,000	
		KRW	Trade financial limit	112,000	80,000	
Woori Bank and others		USD	Trade financial limit	55,000	55,000	
		USD	Comprehensive credit limit and others	134,358	101,454	
SK Telecom Co., Ltd.	Woori Bank	KRW	General loan and others	89,420	40,873	
		USD	Export bills purchased, etc.	60,000	46,779	
	Shinhan Bank	USD	IBK Comprehensive Export and Import Finance	100,000	100,000	
		KRW	Limit loan	1,272,200	1,072,200	
	Industrial Bank of Korea and others	KRW	Purchasing card loan	130,000	130,000	
		KRW	Overdraft	30,000	30,000	
	Industrial and Commercial Bank of China Limited	KRW	Fund for facility loan	300,000	300,000	
		USD	Factoring	60,000	57,909	
	SK Siltron Co., Ltd.	ING Bank	JPY	Factoring	3,000,000	1,154,679
			USD	Fund for facility loan	817,000	378,701
Kookmin Bank and others		KRW	Fund for facility loan	502,250	-	
		USD	Limit loan	463,000	99,076	
Woori Bank and others		KRW	Limit loan	643,000	503,000	
		USD	Comprehensive export and import finance	198,980	121,629	
Nonghyup Bank and others		USD	Letter of credit	25,000	24,798	
		USD	Purchased foreign exchange	40,000	40,000	
Shinhan Bank and others		USD	Derivatives	17,251	17,251	
		USD				

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

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

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Inc.	Seoul Guarantee Insurance	KRW	8,458	Performance guarantees for contract and others
	Korea Software Financial Corporation	KRW	439,393	Performance guarantees for contract and others
SK Signet Inc.	Seoul Guarantee Insurance	KRW	32,468	Performance guarantee insurance and others
SK Pinx Co., Ltd.	Seoul Guarantee Insurance	KRW	175	Performance guarantee for sales contract
SK Forest Co., Ltd.	Seoul Guarantee Insurance	KRW	20,000	Guarantee of warranties contract
	Construction Guarantee Cooperative	KRW	32,201	Guarantee of warranties contract
SKC Co., Ltd.	KEB Hana Bank	KRW	58,500	Guarantee of bond payments
Absolics Inc.	MUFG	USD	25,000	Guarantees of debt
SK Telink Co., Ltd.	Seoul Guarantee Insurance	KRW	893	Performance guarantees for contract and others
ISC Co., Ltd.	Seoul Guarantee Insurance	KRW	47	Guarantee of warranties contract and others
	Industrial Bank of Korea	KRW	50	Guarantee for borrowings
	KEB Hana Bank	KRW	250	Guarantee for other KRW-denominated payment
SK Nexilis Co., Ltd.	Seoul Guarantee Insurance	KRW	4,756	Payment guarantee insurance and others
SK Broadband Co., Ltd.	Seoul Guarantee Insurance	KRW	27,375	Guarantee of warranties contract
	Korea Content Financial Cooperative	KRW	93,000	Guarantee of warranties contract
	Information & Communication Financial Cooperative	KRW	50,000	Guarantee of warranties contract, subcontract payment guarantee
PS&Marketing Corp.	Seoul Guarantee Insurance	KRW	1,242	Debt guarantee for damages
Service Ace Co., Ltd.	Seoul Guarantee Insurance	KRW	78	Guarantee of bid payment and others
Service Top Co., Ltd.	Seoul Guarantee Insurance	KRW	10	Guarantee of bid payment and others
SK O&S Co., Ltd.	Seoul Guarantee Insurance	KRW	50,000	Performance guarantees
Home&Service Co., Ltd.	Seoul Guarantee Insurance	KRW	38	Guarantee of warranties and deposits
Media S Co., Ltd.	Seoul Guarantee Insurance	KRW	15	Deposit guarantees
YLP inc.	Seoul Guarantee Insurance	KRW	1,825	Deposit guarantees and others
Tmap Mobility Co., Ltd.	Seoul Guarantee Insurance	KRW	3,118	Deposit guarantees and others
One store Co., Ltd.	Seoul Guarantee Insurance	KRW	1,464	Deposit guarantees for provisional attachment
	KEB Hana Bank	KRW	100	Other guarantee of Korean won
11street Co., Ltd.	Seoul Guarantee Insurance	KRW	9,315	Performance guarantees and others
	KEB Hana Bank	KRW	2,000	Guarantee of Korean won
FSK L&S Co., Ltd.	Seoul Guarantee Insurance	KRW	5,350	Performance guarantees for contract and others
SK Planet Co., Ltd.	Seoul Guarantee Insurance	KRW	34,660	Performance guarantee insurance and others
	KEB Hana Bank	KRW	3,000	Performance guarantee insurance and others
SK Networks Co., Ltd.	Seoul Guarantee Insurance	KRW	6,183	Contract deposits and others
SK Speedmate Co., Ltd.	Seoul Guarantee Insurance	KRW	1,353	Guarantee of contract and others
SK Networks Service Co., Ltd.	Seoul Guarantee Insurance	KRW	13,462	Performance guarantees for sales contract
SK intellix Co., Ltd.	Seoul Guarantee Insurance	KRW	10,298	Performance insurance for warranties and others
EN-CORE CO., LTD.	Seoul Guarantee Insurance, Korea Software Financial Corporation	KRW	2,047	Performance guarantees for contract
SK Innovation Co., Ltd.	Seoul Guarantee Insurance	KRW	525	Performance guarantees for contract and others
	Kookmin Bank	USD	80,000	Guarantee of debt
	Shinhan Bank	USD	80,000	Guarantee of debt
	BNP Paribas	USD	71,000	PPA Bid Guarantee

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**38. Commitments and contingencies (cont'd)**

Guarantee	Guarantor	Currency	Amount	Description of guarantee
Netruck Co., Ltd.	Seoul Guarantee Insurance	KRW	4,313	Commodity payment guarantee and others
SK Incheon Petrochem Co., Ltd.	Busan Bank and others	USD	26,126	Export L/C
ONEPOL Co., Ltd.	Seoul Guarantee Insurance	KRW	266	Performance guarantees and others
SK Battery America, Inc.	Kookmin Bank	USD	500,000	Performance guarantees and others
SK ON Hungary Kft.	ING BANK HUNGARY BRANCH	HUF	84,200,000	Investment in Ivánca incentive guarantee
SK On Co., Ltd.	KEB Hana Bank and others	USD	924,188	Bond principal and interest guarantee
Yeongnam Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,697	Guarantees of warranties and approval
Chonnam City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	198	Performance guarantees for approval and others
Kangwon City Gas Co., Ltd.	Seoul Guarantee Insurance	KRW	210	Performance guarantees and guarantee insurance for approval
Jeonbuk Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	1,414	Performance guarantees for contract and others
Chungcheong Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	991	Performance guarantees for approval and others
Ko-one Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	2,767	Performance guarantees for contract and approval
Narae Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	619	Guarantee for construction payments related to private construction projects and others
Yeosu Energy Service Co., Ltd.	Seoul Guarantee Insurance	KRW	118	Performance guarantees for deposit on approval and others
Ensolve Co., Ltd (formerly Busan Jungkwan) Energy Co., Ltd.	Seoul Guarantee Insurance	KRW	82,472	Performance guarantees for contract and others
PRISM Energy International Australia IGE Co., Ltd.	ANZ Bank	AUD	219	Deposit on lease
Yuilrobotics Co., Ltd.	Seoul Guarantee Insurance	KRW	1,424	Guarantees for transportation charges and others
Busan City Gas Co., Ltd.	Industrial Bank of Korea	KRW	4,202	Performance guarantees for contract and others
	Seoul Guarantee Insurance	KRW	3,360	Guarantees of debt
		KRW	395	Payment of construction costs and others
SK Ecoplant Co., Ltd.	HSBC and others	USD	188,467	Performance guarantees for overseas construction and others
		TRY	26,763	Performance guarantees for overseas construction and others
		KWD	37,809	Performance guarantees for overseas construction and others
		AED	500	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
		VND	205,841,534	Performance guarantees for overseas construction and others
	KEB Hana Bank	USD	98,975	Performance guarantees for overseas construction and others
		GBP	2,835	Performance guarantees for overseas construction and others
		EUR	84,938	Performance guarantees for overseas construction and others
	Korea Eximbank	USD	17,100	Performance guarantees for overseas construction and others
		NOK	136,302	Performance guarantees for overseas construction and others
	Korea Housing Guarantee Co., Ltd.	KRW	6,844,171	Performance guarantees for domestic construction and others
	Seoul Guarantee Insurance	KRW	307,753	Performance guarantees for domestic construction and others
	Engineering Financial Cooperative	KRW	1,218,605	Performance guarantees for domestic construction and others
	Construction Guarantee Cooperative	KRW	4,579,738	Performance guarantees for domestic construction and others
	Korea Trade Insurance Corporation	USD	95,000	Insurance of overseas investment

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**38. Commitments and contingencies (cont'd)**

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Oceanplant Co., Ltd.	Industrial Bank of Korea	USD	2,619	PBOND and WBOND
	United Overseas Bank Ltd.	USD	129,232	PBOND and WBOND
	Korea Defense Guarantee Cooperative and others	KRW	557,124	PBOND and APBOND
	Busan Bank	KRW	5,500	Guarantee of Korean won
		USD	851	PBOND
	Korea Development Bank	KRW	3,000	Guarantee of Korean won
	Seoul Guarantee Insurance	KRW	250,689	Guarantee of payment and others
		EUR	1,824	Guarantee of payment and others
		USD	9,336	Guarantee of payment and others
	Korea Eximbank	USD	8,413	Performance guarantees for contract and others
	Shinhan Bank	KRW	4,500	Guarantee of Korean won
		USD	1,871	Guarantee of foreign currencies
		EUR	1,658	Guarantee of foreign currencies
	Machinery Financial Cooperative	KRW	70,773	Advance payment guarantee
	Construction Guarantee Cooperative	KRW	3,742	Guarantees of warranties
	China Construction Bank	USD	20,500	Guarantee of foreign currencies
	KEB Hana Bank	KRW	65,266	Guarantee of Korean won
		USD	21,921	Guarantee of foreign currencies and others
	Korea Trade Insurance Corporation	USD	656	Guarantees for overseas sales
	SK Ecoengineering Co., Ltd.	SWISSRE	USD	75,000
Construction Guarantee Cooperative		KRW	477,352	Payment Guarantee and performance guarantees for construction
Kookmin Bank		USD	25,000	Guarantee of foreign currencies and others
Busan Bank		USD	15,000	L/C
Seoul Guarantee Insurance		KRW	73	Payment guarantee
Topsun Co., Ltd.	Engineering Financial Cooperative	KRW	200,649	Payment guarantee and performance guarantee
	Seoul Guarantee Insurance	KRW	137,812	Guarantees for advance payment, contract, defect and others
	Koea credit guarantee fund	KRW	8,650	Guarantee of debt
ECO FRONTIER (SINGAPORE) PTE. LTD.	Electric contractors' financial cooperative	KRW	29,014	Guarantees for contracts
		ANZ BANK, etc	SGD	4,464
		MYR	1,000	
		TWD	1,000	
		AUD	383	
		EUR	1,291	
		CNY	1,000	
SK airplus Inc.	Seoul Guarantee Insurance	KRW	824	Performance guarantees for approval
		KRW	6,632	Performance guarantees for contract and others
SK BIOTEK IRELAND LIMITED	INGBANK	EUR	10,000	EPAGUARANTEE

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**38. Commitments and contingencies (cont'd)**

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

Guarantee	Guarantor	Currency	Amount	Description of guarantee	
SK Ecoplant Co., Ltd.	BS Hanyang Inc.	KRW	29,769	Joint and several liability under joint contracts	
	Samsung C&T Corporation	KRW	259	Joint and several liability under joint contracts	
	Daewoo Engineering & Construction Co., Ltd.	KRW	142,472	Joint and several liability under joint contracts	
	Samco Construction Co., Ltd.	KRW	1,241	Joint and several liability under joint contracts	
	EAST SEOUL UNDERPASS COMPANY	KRW	16,629	Performance guarantee	
	Smartrail Co., Ltd.	KRW	42,861	Performance guarantee	
	KCMT Co., Ltd.	KRW	5,203	Payment guarantee for investment attraction subsidy	
	KT Corporation	KRW	1,885	LTSA additional guarantee	
	ChangwonEnerPark Co., Ltd.	KRW	6,302	LTSA additional guarantee	
	SE Greenenergy Co.,Ltd.	KRW	12,000	LTSA additional guarantee	
	Paju EcoEnergy Co., Ltd.	KRW	10,983	LTSA additional guarantee	
	Korea East-West Power Co., Ltd.	KRW	66,947	LTSA additional guarantee	
	Korea Midland Power Co., Ltd.	KRW	6,270	LTSA additional guarantee	
	Korea Western Power Co., Ltd.	KRW	80,236	LTSA additional guarantee	
	KPE Green Energy Co., Ltd.	KRW	12,000	LTSA additional guarantee	
	Gangneung Sacheon Fuelcell Co.,Ltd.	KRW	16,000	LTSA additional guarantee	
	Chuncheon Green Energy Inc.	KRW	23,756	LTSA additional guarantee	
	Seokmun Green Energy Co., Ltd.	KRW	12,000	LTSA additional guarantee	
	SBC General Trading & Const.Co.W.L.L.	KWD	3,500	Credit limit guarantee	
	HCM001, LLC	USD	86,158	Performance guarantee and others	
	HCS001, LLC	USD	191,250	Performance guarantee	
	QH Oil Investments LLC	USD	34,782	Compensation guarantee	
	KB Real Estate Trust Co., Ltd.	KRW	646,777	Sales guarantee for housing units	
	Woori Asset Trust Co.,Ltd.	KRW	162,417	Sales guarantee for housing units	
	Korea Land & Housing Corporation	KRW	359,233	Sales guarantee for housing units	
	DS 1ST CO., LTD.	KRW	21,172	Joint guarantee	
	MISAN 1ST CO., LTD.	KRW	30,157	Joint guarantee	
	ELLEEDI 1ST CO., LTD.	KRW	68,825	Joint guarantee	
	WALEELEE 1ST CO., LTD.	KRW	73,679	Joint guarantee	
	KIPA 1ST CO., LTD.	KRW	77,112	Joint guarantee	
	Topsun Co., Ltd.	Bodae Energy Co., Ltd.	KRW	23	Seoul Guarantee Insurance joint guarantee
		Sannari Solar Co., Ltd.	KRW	25	Seoul Guarantee Insurance joint guarantee
		Solar Ocean Co., Ltd	KRW	31	Seoul Guarantee Insurance joint guarantee
Songgo Energy Co., Ltd.		KRW	24	Seoul Guarantee Insurance joint guarantee	
Jang G Solar Co., Ltd.		KRW	24	Seoul Guarantee Insurance joint guarantee	
TOPTech ENERGY CO., LTD.		KRW	14,983	Seoul Guarantee Insurance joint guarantee	
TS ENERGY NO.13 CO., LTD.		KRW	9	Seoul Guarantee Insurance joint guarantee	
TS ENERGY NO.2 CO., LTD.	KRW	19	Seoul Guarantee Insurance joint guarantee		

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

Guarantee	Guarantor	Currency	Amount	Description of guarantee
SK Innovation Co., Ltd.	SK Plug Hyverse Co., Ltd.	KRW	22,363	Investment performance guarantee
	Cha Partners Incheon H2 Mobility Infra Investment Limited Partnership	KRW	3,078	Investment performance guarantee
	Truston ESG Renewable Energy General Private Investment Trust No. 1, No. 2	KRW	23,998	Investment performance guarantee
SK Innovation Co., Ltd. and SK On Co., Ltd.	HSAGP ENERGY LLC	USD	1,500,000	Guarantee of debt
Netruck Co., Ltd.	BizTalk Corporation and others	KRW	29	Guarantee insurance for payment, guarantee insurance for deposits
SK Geo Centric Co., Ltd.	SABIC SK Nexlene Company Pte. Ltd.	USD	165,000	Guarantee of debt
Iberian Lube Base Oils S.A.	Puertos del Estado and others	EUR	1,127	Guarantee for installing facilities
SK Siltron Co., Ltd.	Chicago Title Insurance Company	USD	12,000	Title insurance guarantee
SK Telink Co., Ltd.	IOT Wave Co., Ltd. and others	KRW	1,174	Performance bond insurance and others
SKC Co., Ltd.	Tomotech Co., Ltd.	KRW	2,010	Guarantee of debt

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

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

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

**38. Commitments and contingencies (cont'd)**

(4) PF contingencies

1) PF Summary table

As of December 31, 2025, the Group provides credit enhancement up to a limit of ₩2,786,487 million (₩2,235,093 million as of December 31, 2024) with an outstanding loan balance of ₩2,031,430 million (₩1,821,314 million as of December 31, 2024) in relation to PF, of which ₩1,517,592 million (₩1,255,106 million as of December 31, 2024) for the Group alone and ₩513,838 million (₩566,208 million as of December 31, 2024) for the consortium participation project.

There were no contingent liabilities as of December 31, 2024 that were recognized as provisions during the year ended December 31, 2025.

Among the above, the Group is providing credit enhancement for loans to related parties amounting to ₩618,400 million and ₩659,650 million as of December 31, 2025 and 2024, respectively, with a guarantee amount limit (Group's share) of ₩829,000 million and ₩683,520 million as of December 31, 2025 and 2024, respectively).

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**38. Commitments and contingencies (cont'd)**

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

Type	Contract	Guarantee limit	Guarantee amount	Loan balance 2025.12.31	Within 3 months	3 months ~ 6 months	6 months ~ 12 months		
Maintenance Business	Main PF	₩ 92,428	₩ 79,828	₩ 73,081	₩ -	₩ -	₩ -		
	Total	92,428	79,828	73,081	-	-	-		
Other Business	Bridge Loan	728,200	728,200	404,425	-	404,425	-		
	Main PF	769,500	769,500	600,000	-	-	-		
	Others	537,391	537,391	440,086	-	50,000	100,000		
	Total	2,035,091	2,035,091	1,444,511	-	454,425	100,000		
Sole Business Total		₩ 2,127,519	₩ 2,114,919	₩ 1,517,592	₩ -	₩ 454,425	₩ 100,000		
Maintenance Business	Main	Entire	₩ 262,301	₩ 227,662	₩ 181,415	₩ -	₩ -	₩ 154,902	
	PF		Group	242,568	210,168	166,838	-	-	140,325
	Total	Entire	262,301	227,662	181,415	-	-	154,902	
Other Business	Bridge	Entire	-	-	-	-	-	-	
			Loan	Group	-	-	-	-	-
	Main	Entire			192,000	192,000	160,000	-	-
			PF	Group	192,000	192,000	160,000	-	-
	Others	Entire			224,400	224,400	187,000	-	-
			Group	224,400	224,400	187,000	-	-	-
	Total	Entire		416,400	416,400	347,000	-	-	-
			Group	416,400	416,400	347,000	-	-	-
	Consortium Total			Entire	678,701	644,062	528,415	-	-
			Group	658,968	626,568	513,838	-	-	140,325
Grand Total	Entire		₩ 2,806,220	₩ 2,758,981	₩ 2,046,007	₩ -	₩ 454,425	₩ 254,902	
	Group		2,786,487	2,741,487	2,031,430	-	454,425	240,325	

Type	Contract	Guarantee limit	Guarantee amount	1 year~ 2 years	2 years ~ 3 years	Over 3 years	Loan balance 2024.12.31		
Maintenance Business	Main PF	₩ 92,428	₩ 79,828	₩ 19,000	₩ 10,234	₩ 43,847	₩ 55,806		
	Total	92,428	79,828	19,000	10,234	43,847	55,806		
Other Business	Bridge Loan	728,200	728,200	-	-	-	324,000		
	Main PF	769,500	769,500	600,000	-	-	875,300		
	Others	537,391	537,391	23,280	266,806	-	-		
	Total	2,035,091	2,035,091	623,280	266,806	-	1,199,300		
Sole Business Total		₩ 2,127,519	₩ 2,114,919	₩ 642,280	₩ 277,040	₩ 43,847	₩ 1,255,106		
Maintenance Business	Main	Entire	₩ 262,301	₩ 227,662	₩ -	₩ 8,620	₩ 17,893	₩ 148,392	
	PF		Group	242,568	210,168	-	8,620	17,893	146,548
	Total	Entire	262,301	227,662	-	8,620	17,893	148,392	
Other Business	Bridge	Entire	-	-	-	-	-	29,582	
			Loan	Group	-	-	-	-	5,310
	Main	Entire			192,000	192,000	-	160,000	-
			PF	Group	192,000	192,000	-	160,000	-
	Others	Entire			224,400	224,400	-	187,000	-
			Group	224,400	224,400	-	187,000	-	-
	Total	Entire		416,400	416,400	-	347,000	-	523,282
			Group	416,400	416,400	-	347,000	-	419,660
	Consortium Total			Entire	678,701	644,062	-	355,620	17,893
			Group	658,968	626,568	-	355,620	17,893	566,208
Grand Total	Entire		₩ 2,806,220	₩ 2,758,981	₩ 642,280	₩ 632,660	₩ 61,740	₩ 1,926,780	
	Group		2,786,487	2,741,487	642,280	632,660	61,740	1,821,314	

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**38. Commitments and contingencies (cont'd)**

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

As of the end of the current period, the details of the PF (loan) guarantees for 25 maintenance projects and other related projects are as follows. In some agreements related to PF guarantees, there are events of acceleration of debt maturity worth ₩2,031,430 million (₩1,821,314 million as of December 31, 2024) when situations such as the borrower's failure to pay the amount due according to the financial contract, occurrence of a default event to the constructor or the borrower, or decline in the credit rating of the constructor occur (Korean won in millions):

Business type	Location	Type	PF	Credit enhancement type	Limit	Rate (*)	Amount (Group)	Affiliated
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ -	100%	₩ -	-
	Seoul	Apartment	Main PF	Joint guarantee	22,800	100%	22,800	-
	Seoul	Apartment	Main PF	Joint guarantee	12,281	100%	12,281	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	100%	9,544	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	100%	6,373	-
	Seoul	Apartment	Main PF	Joint guarantee	12,282	100%	12,282	-
	Gwangju	Apartment	Main PF	Joint guarantee	7,442	100%	7,442	-
	Seoul	Apartment	Main PF	Joint guarantee	3,706	100%	3,706	-
	Seoul	Apartment	Main PF	Joint guarantee	18,000	100%	5,400	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	331,200	100%	331,200	-
	Busan	Business facilities	Bridge loan	Cash deficiency support	397,000	100%	397,000	Y
	Daegu	Apartment	Main PF	Cash deficiency support	324,000	100%	324,000	-
	Daegu	Apartment	Main PF	Cash deficiency support and completion	445,500	100%	445,500	-
	Gyeonggi-do	Distribution center	Others	Cash deficiency support	240,000	100%	240,000	Y
	Gyeonggi-do	Business facilities	Others	Cash deficiency support	20,138	100%	20,138	-
	Gyeonggi-do	Business facilities	Others	Cash deficiency support	60,000	100%	60,000	-
	Seoul	Business facilities	Others	Cash deficiency support	8,447	100%	8,447	-
	Seoul	Business facilities	Others	Cash deficiency support	130,000	100%	130,000	-
	Seoul	Business facilities	Others	Cash deficiency support	78,806	100%	78,806	-
Sole business total					₩ 2,127,519		₩ 2,114,919	
Maintenance business	Gwangju	Apartment	Main PF	Joint guarantee	₩ 5,173	100%	₩ 5,173	-
	Seoul	Apartment	Main PF	Joint guarantee	35,040	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%	164,840	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	100%	9,493	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	4,090	100%	4,090	-
Other Business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	192,000	50%	192,000	Y
	Gyeonggi-do	Distribution center	Others	Cash deficiency support	224,400	100%	224,400	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	-	18%	-	-
Consortium total					₩ 678,701		₩ 626,568	
Grand Total					₩ 2,806,220		₩ 2,741,487	

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**38. Commitments and contingencies (cont'd)**

Business type	Location	Type	PF	Credit enhancement type	Loan balance		Term	Maturity	Type	Responsibility for completion amount
					December 31, 2025	December 31, 2024				
Maintenance business	Seoul	Apartment	Main PF	Joint guarantee	₩ -	₩ 10,655	19.10~'28.10	28.10	Loan	₩ -
	Seoul	Apartment	Main PF	Joint guarantee	19,000	19,000	22.02~'27.02	27.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	10,234	10,234	23.11~'28.02	28.02	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	9,544	9,544	24.10~'29.09	29.09	Loan	-
	Daejeon	Apartment	Main PF	Joint guarantee	6,373	6,373	24.12~'29.08	29.08	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	12,282	-	25.06~'29.04	29.04	Loan	-
	Gwangju	Apartment	Main PF	Joint guarantee	7,442	-	25.08~'30.03	30.03	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	3,706	-	25.11~'30.10	30.10	Loan	-
	Seoul	Apartment	Main PF	Joint guarantee	4,500	-	25.12~'30.10	30.10	Loan	-
Other business	Seoul	Apartment	Bridge loan	Cash deficiency support	146,025	109,000	25.06~'26.06	26.06	Loan, ABSTB, ABCP	-
	Busan	Business facilities	Bridge loan	Cash deficiency support	258,400	215,000	25.05~'26.05	26.05	Loan, ABCP	-
	Daegu	Apartment	Main PF	Cash deficiency support	270,000	220,000	25.07~27.07	27.07	ABSTB, ABL	-
	Daegu	Apartment	Main PF	Cash deficiency support and completion	330,000	330,000	23.07~'27.07	27.07	Loan, ABCP	330,000
	Gyeonggi-do	Distribution center	Others	Cash deficiency support	200,000	325,300	25.11~'28.11	28.11	Loan, ABCP	-
	Gyeonggi-do	Business facilities	Others	Cash deficiency support	16,782	-	25.04~'27.04	27.04	Loan	-
	Gyeonggi-do	Business facilities	Others	Cash deficiency support	50,000	-	25.04~'26.04	26.04	ABCP	-
	Seoul	Business facilities	Others	Cash deficiency support	6,498	-	25.09~'27.09	27.09	Loan	-
	Seoul	Business facilities	Others	Cash deficiency support	100,000	-	25.09~'26.09	26.09	ABCP	-
	Seoul	Business facilities	Others	Cash deficiency support	66,806	-	25.12~'28.03	28.03	ABSTB	-
Sole business total				₩ 1,517,592	₩ 1,255,106				₩ 330,000	
Maintenance business	Gwangju	Apartment	Main PF	Joint guarantee	₩ 4,311	₩ 4,311	25.08~'30.03	30.03	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~'26.08	26.07	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	8,620	8,620	25.08~'28.01	28.01	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	126,800	110,600	24.04~'26.12	26.12	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	9,493	9,493	24.11~'29.11	29.11	Loan	-
	Gyeonggi-do	Apartment	Main PF	Joint guarantee	4,090	-	25.07~'30.01	30.01	Loan	-
Other Business	Gyeonggi-do	Business facilities	Main PF	Cash deficiency support and completion	160,000	119,350	25.06~'28.06	28.06	Loan	372,000
	Gyeonggi-do	Distribution center	Others	Cash deficiency support	187,000	295,000	25.04~'28.05	28.05	Loan, ABCP	-
	USA	Power generation facilities	Bridge Loan	Cash deficiency support	-	5,310	24.06~'25.06	25.06	ABL	-
Consortium total				₩ 513,838	₩ 566,208				₩ 372,000	
Grand Total				₩ 2,031,430	₩ 1,821,314				₩ 702,000	

(\* ) 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%.

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**38. Commitments and contingencies (cont'd)**

3) Real Estate PF liability agreement

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

	December 31, 2025				December 31, 2024			
	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance	Number of Construction (cases)	Contract amount	Agreed amount	Loan balance
Maintenance business	-	₩ -	₩ -	₩ -	-	₩ -	₩ -	₩ -
Maintenance business (Group)	-	-	-	-	-	-	-	-
Other business	13	3,707,487	3,737,100	2,391,500	18	3,730,263	3,787,884	2,553,912
Other business (Group)	13	3,707,487	3,668,850	2,347,750	18	3,730,263	3,749,796	2,515,824
Total	13	₩ 3,707,487	₩ 3,737,100	₩ 2,391,500	18	₩ 3,730,263	₩ 3,787,884	₩ 2,553,912
Total (Group)	13	3,707,487	3,668,850	2,347,750	18	3,730,263	3,749,796	2,515,824

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

As of December 31, 2025, the Group has entered into an agreement to guarantee ₩109,680 million (₩212,606 million as of December 31, 2024) for the construction progress payment loans of the buyer's related to the renovation business. Furthermore, in relation to other businesses, it has made an agreement to guarantee ₩1,431,736 million (₩2,230,185 million as of December 31, 2024) for the buyer's construction progress payment loans (Korean won in millions):

	December 31, 2025				December 31, 2024			
	Number of project (Cases)	Guarantee Limit	Agreed amount	Loan balance	Number of project (Cases)	Guarantee Limit	Agreed amount	Loan balance
Maintenance business	2	₩ 155,926	₩ 129,938	₩ 660	6	₩ 345,965	₩ 288,304	₩ 152,253
Maintenance business (Group)	2	131,616	109,680	508	6	255,127	212,606	100,772
Other business	7	1,734,083	1,431,736	886,732	15	2,692,222	2,230,185	863,639
Other business (Group)	7	1,734,083	1,431,736	886,732	15	2,692,222	2,230,185	863,639
Total	9	₩ 1,890,009	₩ 1,561,674	₩ 887,392	21	₩ 3,038,187	₩ 2,518,489	₩ 1,015,892
Total (Group)	9	1,865,699	1,541,416	887,240	21	2,947,349	2,442,791	964,411

5) Real Estate PF's SOC guarantee loan

As of December 31, 2025, the Group provides credit enhancement such as fulfillment and provision for the outstanding loan balance of ₩789,333 million (₩768,638 million as of December 31, 2024), up to a limit of the Group's share of ₩1,341,089 million (₩1,342,651 million as of December 31, 2024) in relation to borrowings, etc. of the SOC Corporation and the executor. Moreover, it is obliged to supplement funds in the event of a shortfall in the mandatory operating expenses of the SOC Corporation (Korean won in millions):

	December 31, 2025				December 31, 2024			
	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance	Number of Construction (Cases)	Contract amount	Agreed amount	Loan balance
SOC	14	₩ 4,905,625	₩ 1,341,089	₩ 789,333	14	₩ 4,872,113	₩ 1,342,651	₩ 768,638

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**38. Commitments and contingencies (cont'd)**

(5) Pending litigations

1) The Group's significant pending litigations as of December 31, 2025, in which the Group is a plaintiff are as follows (Korean won in millions):

Defendant	Plaintiff	Description	Currency	Amount	Status
SK Inc.	Republic of Korea	Claim for Outstanding Service Fees	KRW	1,930	First trial in progress
SK inc.	Director of Jongno Tax Office	Claim for revocation of the disposition on a corporate income tax correction request	KRW	4,670	Second trial in progress and others
SK Incheon Petrochem Co., Ltd.	Dong-A Tanker Corporation	Claim for damages	KRW	10,075	First trial in progress
Ensolve Co., Ltd.	Hanwha Solutions Corporation and others	Claim for reimbursement of capital support	KRW	5,034	First trial in progress
Eleven Street Co., Ltd	Individual and others	Claim for damages and others	KRW	4,061	First trial in progress and others
Tmap Mobility Co., Ltd.	People Com and others	Claim for Debt Collection Lawsuit and others	KRW	4,759	First trial in progress and others
One store Co., Ltd.	Google LLC	Claim for damages	KRW	501	First trial in progress
SK Telecom Co., Ltd.	Korea Fair Trade Commission and others	Claim for damages and others	KRW	2,447	Second trial in progress and others
SK Broadband Co., Ltd.	Magoknaru Sattion Botanic Prugio City	Claim for payment of goods and others	KRW	597	Third trial in progress and others
SK Nexilis Co., Ltd.	Solus Advanced Materials Co., Ltd. and others	Claim for damages	KRW	-	First trial in progress (*1)
SK Ecoplant Co., Ltd.	PNPC	Claim for construction payment	KRW	212,222	Arbitration in progress
	CECO	Claim for damages	KRW	159,274	Arbitration in progress
	KB Insurance Co.,Ltd.and others	Claim for insurance payout	KRW	158,092	First trial in progress
	Goseong Green Power Co., Ltd. and others	Claim for construction payment	KRW	284,922	First trial in progress
	RDP and others	Claim for progress payments and others	KRW	87,659	Second trial in progress and others
SK Oceanplant Co.,Ltd.	Seoul Guarantee Insurance and others	Claim for advance payment and others	KRW	4,172	Second trial in progress and others
SEONGJU TECH CO.,LTD.	Siheung City and others	Claim for land cost reimbursement	KRW	17,100	First trial in progress
Topsun Co., Ltd.	ITENC Co., Ltd.	Claim for Outstanding Service Fees	KRW	788	First trial in progress

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

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**38. Commitments and contingencies (cont'd)**

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

Defendant	Plaintiff	Description	Currency	Amount	Status
SK Inc.	ECS TELECOM CO., LTD	Claim for damages and others	KRW	2,902	Second trial in progress and others
	J. Brian O'Neill, Richard Heaney	Claim for damages	USD	-	First trial in progress (*1)
	Innovation 411, Bryemere Holding LLC, Richard Heaney, Brian O'Neil	Claim for damages	USD	-	First trial in progress (*1)
SK Telecom Co., Ltd.	NongHyup and others	Claim for damages and others	KRW	186,253	First trial in progress and others
SK Broadband Co., Ltd.	Republic of Korea and others	Claim for damages and others	KRW	28,016	First trial in progress and others
SK Networks Co., Ltd.	Durr Korea Inc. and others	Claim for payment of goods and others	KRW	1,912	First trial in progress and others
SK Networks Service Co., Ltd.	Doobis Co.,Ltd. and others	Claim for loan repayment and others	KRW	8,862	First trial in progress and others
SK intellix Co., Ltd.	Nonghyup Bank and others	Claim for unjust enrichment and others	KRW	981	First trial in progress
SK intellix Service Co., Ltd.	Individual and others	Claim for severance pay	KRW	789	First trial in progress
SKC Co., Ltd.	POSCO Eco&Challenge Co., Ltd. and others	Claim for defect	KRW	5,080	First trial in progress and others
ISC Co., Ltd.	HANWHA CORPORATION and others	Claim for payment of construction and others	KRW	9,212	First trial in progress
SK Nexilis Co., Ltd.	Circuit Foil Luxembourg and others	Claim for damages and others	KRW	1,000	First trial in progress and others
PassKey,Inc.	JasonAppelbaum	Claim for damages	USD	25,717	Arbitration in progress
DewBlaine Energy, LLC	Saratoga Investments, L.P	Claim for royalty	USD	424	First trial in progress
Busan City Gas Co., Ltd.	Individual and others	Claim for payment of construction and others	KRW	806	First trial in progress
SK Ecoplant Co., Ltd.	PNPC	Claim for payment of construction and others	KRW	479,831	Arbitration in progress
	GE	Claim for damages	KRW	46,634	Arbitration in progress
	AL-ESSAM and others	Claim for payment of construction and others	KRW	117,849	Second trial in progress and others
Topsun Co.,Ltd	Korea Ocean Engineering & Consultants Co., Ltd.	Claim for payment of construction and others	KRW	4,322	First trial in progress and others
SK Oceanplant Co.,Ltd.	Samsung Heavy Industries Co., Ltd.	Claim for delivery of construction equipment	KRW	2,885	First trial in progress and others
SK Ecoengineering Co., Ltd.	Korea Gas Corporation Co., Ltd. and others	Claim for damages and others	KRW	75,394	First trial in progress and others
11street Co., Ltd.	Kookmin Bank and others	Claim for contractual penalties	KRW	5,627	First trial in progress and others
Tmap Mobility Co., Ltd.	DEUTSCH MOTORS INC. and others	Claim for damages and others	KRW	3,268	First trial in progress and others

(\*1) Related litigation amount, duration and final outcome cannot be predicted at this time.

### **38. Commitments and contingencies (cont'd)**

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

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

The Perupetro S.A., a Peruvian state-owned oil company and mining rights management agency, received an injunction from the local judiciary to suspend the liquidation procedure of the operator before to the year ended December 31, 2024 and the Peruvian Environmental Assessment and Supervision Authority (OEFA) fined the operator related to the restoration of the workplace and environmental pollution charge before the year ended December 31, 2024. As of December 31, 2025, the cumulative amount claimed against SK Innovation Co., Ltd. is KRW 11,471 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.

Spring Valley Oil & Gas, Inc. filed a damages lawsuit against Longfellow Energy, LP and former SK US entities in the U.S. federal court, claiming damages arising from hydraulic fracturing conducted during the development of oil wells. The lawsuit is currently in the process of jurisdictional proceedings. The final outcome of this lawsuit cannot be predicted at this time.

Meanwhile, Metro Site in the state of Georgia, USA, filed a lawsuit against SK Battery America, Inc., a subsidiary, in the Georgia State Court on July 31, 2023, regarding a fire at a recycling facility. During the prior period, a settlement payment of USD 31 million was made, which has been reflected as a non-operating expense for the prior period in the consolidated financial statements. Additionally, on May 3, 2024, the local government of Banks County, Georgia, filed a lawsuit against SK Battery America, Inc., seeking compensation for significant public resources used in fire suppression efforts. During year ended December 31, 2025, a settlement of USD 0.2 million was agreed upon, which has been reflected in other non-operating expenses for year ended December 31, 2025.

The Korea Customs Service imposed fines of KRW 15,255 million and KRW 230 million on SK On Co., Ltd., a subsidiary of the Group, on January 8, 2025, based on Articles 15 and 32 of the Foreign Exchange Transactions Act, following a foreign exchange transaction inspection. SK On Co., Ltd., the subsidiary of the Group, has raised objections to the imposition of these fines and is currently undergoing a fine trial in accordance with the Non-Contentious Case Procedure Act, and the duration and final outcome cannot be predicted at this time.

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

### **38. Commitments and contingencies (cont'd)**

Individual B filed a lawsuit related to product fire liability against five entities, including SK Battery America, Inc., a subsidiary of SK Innovation Co., Ltd., during July 2025. The relevant litigation value is USD 32 million, and the duration and final outcome cannot be predicted at this time.

Automotive Manufacturer A has raised a dispute regarding the interpretation and application of contractual metal weight with SK Innovation Co., Ltd. The amount claimed by Company A is USD 291 million. No legal proceedings have been filed in connection with this claim, and as of December 31, 2025, the duration and final outcome of the related discussions cannot be predicted.

SKC Co., Ltd., a subsidiary of the Group, guarantees 50% of claim amounts related to the patent litigation filed by Kaneka Corporation against PI Advanced Materials Co., Ltd. As of December 31, 2025, the appeal of the lawsuit in the U.S. was rejected and the jury's verdict determined damages, but the final ruling was not made because some of the compensation for damages were not confirmed. Meanwhile, Kaneka Corporation filed a lawsuit against PI Advanced Materials Co., Ltd. in Korea based on a portion of final judgment on the U.S. jury's verdict. Accordingly, the subsidiary SKC Co., Ltd. paid PI Advanced Materials Co., Ltd. USD 8 million in 2020 which is 50% of USD 16 million in damages. Based on the final results of litigation, SKC Co., Ltd., a subsidiary of the Group, may have to pay more according to the ratio as specified by the payment arrangement. As of December 31, 2025, the final result of the first trial and the timing of payment of compensation for damage are not estimable.

#### **(6) Commitments**

< SK Inc.>

- 1) In accordance with the Commercial Code of the Republic of Korea, the Group, SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd, SK Incheon Petrochem Co., Ltd., SK ie technology Co., Ltd., SK On Co., Ltd, and SK Earthon Co., Ltd. are collectively responsible for any obligations of the Company arising before the spin-off. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations of the Company that occurred before the spin-off on April 1, 2011 and the Company and SK Specialty Co., Ltd. are collectively responsible for any obligations of SK Materials Co., Ltd. (formerly) that occurred before the spin-off on December 1, 2021.
- 2) The Group has signed a lease contract for the head office building from SK REIT Co., Ltd.. The lease contract period under this lease contract is until July 5, 2026, and the Parent Company has the option of extending the lease contract by five years before the end of the contract. On the other hand, the Group has been granted preferential purchase rights 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 and others to maintain, develop IT system and supply hardware.
- 4) The Group has entered into 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:

**38. Commitments and contingencies (cont'd)**

	Subscription of new shares	Sale of existing shares
Investor	Special Situation 1 <sup>st</sup> Fund and others	Corporate Turnaround 1 <sup>st</sup> Fund
Number of shares (in shares)	6,548,672	4,808,259
Contract date	March 30, 2022	March 30, 2022
Expiry date	April 13, 2027	May 11, 2027
Settlement	The Group and the investor make a cash settlement of the amount that calculated by deducting the issue price from the net selling price for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.	
Normal settlement	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 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.	

As of the end of the current period, the fair value of the above total return swap contract agreements amounting to KRW 229,449 million has been recognized as derivative liabilities.

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

	Total return swap
Investor	Warmachine Sixth Co., Ltd. and others
Number of shares (in shares)	13,140,440
Contract date	August 16, 2022
Expiry date	August 30, 2027
Settlement	The Group and the investors are to settle the amount calculated by deducting the issue price from the net selling price for all target shares. If the amount is positive, the investor pays to the Group, and if the amount is negative, the Group pays to the investor. In case where the sale is not complete, the selling price of the shares is considered to be nil.
Normal settlement	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 effective date of sale ("the quarterly payment day"), the Group has the right to purchase the shares held by the investor at the initial contract price of the ordinary shares with a certain level of additional charges.

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

**38. Commitments and contingencies (cont'd)**

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

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

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

- 7) 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 December 31, 2025, SK Innovation Co., Ltd., one of the subsidiaries, is responsible for performance guarantee in case of LNG Americas, Inc.'s inability to make payments for service or for claims against breach of obligation. In regard to this, the Group provides performance guarantee for SK Innovation Co., Ltd.'s guarantee.
- 8) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 236,000 thousand of Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc..
- 9) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of USD 315,000 thousand of Abrasax Investment Inc., a subsidiary of SK Pharmteco Inc..
- 10) The Group entered into a cash deficiency support agreement to lend funds for the shortfall of principal and interest repayment for loans and credit limit of MYR 70,000 thousand of Socar Mobility Malaysia, SDN. BHD..
- 11) The Group has signed a contract between shareholders that allows certain shareholders to sell their shares to the Company for KRW 50,000 per share if certain conditions are met for shares held by certain shareholders of its subsidiary SK Signet Co., Ltd. As of December 31, 2025, the fair value of the related contract amounting to KRW 47,843 million has been recognized as long-term liabilities classified as current.

**38. Commitments and contingencies (cont'd)**

- 12) The Group has pledged 2,936,225 shares of SOCAR Co., Ltd., which it holds as assets held for sale, to the buyer, Lotte Rental Co., Ltd..
- 13) When issuing public corporate bonds, there are conditions for maintaining financial ratios, restrictions on the establishment of collateral rights, restrictions on disposal of assets, and restrictions on changes in the governance structure in accordance with the contract between the Company and the bond management company.
- 14) As of December 31, 2025, SK Pharmteco Inc., a subsidiary, is obligated to repay the investment at a price that ensures the guaranteed return for investors in the event of a failed IPO within the specified period. The Group provides payment guarantees in relation to the issuance of redeemable convertible preferred shares of SK Pharmteco Inc.. As of the end of the reporting period, the fair value of the above arrangement amounting to KRW 805,917 million is recognized as financial liabilities at fair value through profit or loss.
- 15) The Group has entered into a shareholder agreement regarding the convertible preferred shares issued by SK Ecoplant Co., Ltd., a subsidiary. Under this agreement, if SK Ecoplant Co., Ltd. fails to complete a qualified initial public offering by the IPO deadline, the Group has the right to request the investor to purchase all of the preferred shares either directly or through a third party designated by the Group. However, if the failure to complete the qualified IPO within the IPO deadline is attributable to the intentional misconduct or gross negligence of the issuing company, the Company may not exercise the put option. (See Note 38 (6) <SK Ecoplant Group> 13).
- 16) The Group entered into an agreement with Amazon Web Services (“AWS”) for the use of cloud services. In accordance with the agreement, the Group receives AWS services for 10 years starting from July 2025, with a total contract amount of USD 1,300,000 thousand. In addition, the Group entered into an agreement with its subsidiary SK Telecom Co., Ltd. for the provision of AWS services. Under this agreement, AWS services will be provided for 10 years starting from July 2025, with a total contract amount of USD 800,000 thousand.

**38. Commitments and contingencies (cont'd)**

17) The Group has entered into a Price Return Swap agreement with financial investors regarding the ordinary shares of SK Innovation Co., Ltd., one of the subsidiaries. Details are as follows:

	Price Return Swap
Contract party	[Revenue recipient] SK Inc. [Revenue payers] Double S Ever 2025 Co., Ltd., MS Partners First Co., Ltd., MS Partners Second Co., Ltd., Cube Inno First Co., Ltd., Multi Solution Summit Co., Ltd., S Project SIN Co., Ltd., New Star Green Tech First Co., Ltd. (Total of 7 companies)
Underlying asset	14,414,409 newly issued registered common shares of SK Innovation Co., Ltd.
Contract date	July 30, 2025
Contract period	3 years
Normal settlement	The revenue payer shall, on each fixed revenue payment date occurring every quarter during the contract period, pay the revenue recipient a fixed revenue amount calculated by applying the PRS Premium Rate (an interest rate, determined two business days before the investment closing date, calculated as the arithmetic average of the revenue recipient's 3-year maturity corporate bond individual average yields provided by four private bond rating agencies plus 1.5% per annum) to the remaining contract amount as of the previous business day.

As of the end of the reporting period, the fair value of the above price return swap (PRS) contract amounting to KRW 254,269 million is recognized as derivative liabilities.

18) The Group has entered into an agreement between shareholders with M2I Corporation (hereinafter referred to as "M2I") in relation to its investment in SMCORE. Inc., an associate. Under this agreement, if certain conditions are met, the Company holds the right to sell all or part of its shares in the target company to M2I or to a third party designated by M2I. In addition, M2I holds the right to purchase all or part of the shares held by the Group. Meanwhile, if M2I intends to sell all of its shares in SMCORE. Inc. to a third party, the Group holds the right to participate in such sale on the same terms (tag-along right). M2I also holds the right to require to sell all of its shares in the target company together with M2I to the third party (drag-along right).

**38. Commitments and contingencies (cont'd)**

< SK Innovation Co., Ltd. and affiliates >

- 1) SK Energy Co., Ltd., SK Incheon Petrochemical Co., Ltd., SK ON Co., Ltd., and SK Geo Centric Co., Ltd., subsidiaries, pay electricity and customs duties through B2B corporate contracts and national tax cards signed with some financial institutions and pay the payment to the credit card companies at the end of the credit offering period under the agreement. As of December 31, 2025, the related unpaid amount is ₩3,224,473 million, and it is classified as a full amount of current liabilities.
- 2) SK Innovation Co., Ltd., a subsidiary, has entered into a PRS (Price Return Swap) agreement to settle the difference under certain conditions between the buyer of shares of SK On Co., Ltd., in connection with the capital increase due to allocation to a third party of its subsidiary SK On Co., Ltd. for year ended December 31, 2025 and for the year ended December 31, 2024. Under the above agreement, SK Innovation Co., Ltd. recognized derivative liabilities of ₩581,436 million. Details of the above agreement are as follows:

Descriptions	PRS (Price Return Swap)		
	1st PRS	2nd PRS	3rd PRS
Investor	S Project Inno Co., Ltd. etc.	1st MS Energy Co., Ltd. etc.	NewGen Energy No.1 Co., Ltd.
Numbers of shares (in shares)	18,031,337	9,015,667	41,431,027
Effective date	October 15, 2024	November 25, 2024	August 18, 2025
Expiration date	October 15, 2027	November 25, 2027	August 18, 2028
Details of contract	When the buyer sells the underlying assets, the difference between the sale amount and the settlement amount is received.		

- 3) 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 receive 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. SK Battery America Inc. recognized the bonds and financial liabilities generated in the transaction as net amounts as they meet the offsetting criteria of K-IFRS No. 1032, and the amount of bonds and financial liabilities set off as of December 31, 2025 is USD 2,540 million, and the book value after offset is ₩0.
- 4) 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. BlueOval SK, LLC indicated that the bonds and financial liabilities arising from the transaction were offset because they met the offsetting criteria of K-IFRS No. 1032. As of December 31, 2025, the amount of bonds and financial liabilities offset is USD 5,800 million, and the book value of bonds and financial liabilities after offset is ₩0.
- 5) SK Innovation Co., Ltd., a subsidiary, has entered into an agreement with a major customer as of December 31, 2025, to distribute subsidies according to an agreed-upon ratio under the Advanced Manufacturing Production Tax Credit System of the U.S. Inflation Reduction Act.

**38. Commitments and contingencies (cont'd)**

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

	Type of debt	Currency	Committed limit	Debt execution amount
Loan agreement	Long-term borrowings (*1)	KRW	2,000,000	1,656,617
Loan agreement	Long-term borrowings (*1,2)	KRW	977,500	793,898
Facility investment	Contract liabilities (*2,3,4)	KRW	692,900	189,291

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

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

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

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

7) The investment agreement details of SK On Co., Ltd., a subsidiary, are as follows (U.S. dollars in thousands):

	Amount of Investment Agreement	Cumulative Investments Amount	Remaining Investment Amount
MILLENNIUM NEW HORIZONS II, L.P.	5,000	2,379	2,621

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

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

10) As of December 31, 2025, subsidiaries of the SK Innovation Group are obligated to pay development costs (if occurred) equivalent to the equity ratio in relation to the asset acquisition contract below.

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

**38. Commitments and contingencies (cont'd)**

11) Commitments in relation to the convertible redeemable preferred shares issued by E&S City Gas Busan Co., Ltd. are as follows:

	Details
Name of securities	Non-voting redeemable convertible preferred shares of E&S City Gas Busan Co., Ltd.
Issued amount of securities (in Korean won)	₩735,000,000,000
Issued number of shares (in shares)	306,250
Details related to repayment	<ul style="list-style-type: none"> <li>- Repayment in cash or other assets at the Group's discretion by resolution of the Board of Directors</li> <li>- Repayment period in the case of cash repayment: January 1, 2028 ~ April 1, 2028</li> <li>Repayment period in the case of repayment in kind: November 1, 2026 ~ April 1, 2028</li> </ul>
Dividend payment	Non-participating, cumulative preferred shares, and an annual cash dividend of [3.99]% of the issuance price per preferred share is paid out in preference to the dividends of all ordinary shares and other types of share issued by the issuance company
Details related to conversion (*1)	<ul style="list-style-type: none"> <li>- Convertible holder: shareholders of the preferred shares</li> <li>- Type of shares to be issued by conversion: ordinary shares of E&amp;S City Gas Busan Co., Ltd.</li> <li>- Conversion claim period: from April 2, 2028 to the date of 30 years from the issuance date</li> <li>- Conversion price: The initial conversion price per share shall be ₩6,000</li> </ul>
Loss of benefit of time	Not applicable
Other commitments (agreement between shareholder, financial commitments, etc.)	<p>[Establishment of a pledge on the shares held by the Company]            To secure the exercise of the acquirer's conversion rights, the Company established a first-priority share pledge on all shares of the issuing company held by SK Innovation Co., Ltd.</p> <p>[Grant of Call Option]            In the case that the new share acquirer exercises conversion rights regarding the redeemable convertible preferred shares, a call option is granted to the acquirer to simultaneously purchase all shares of the issuing company held by the Group.</p>

(\*1) The conversion price is subject to adjustment.

**38. Commitments and contingencies (cont'd)**

12) Commitments in relation to the convertible redeemable preferred shares issued by E&S City Gas Co., Ltd. are as follows:

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

(\*1) The conversion price is subject to adjustment.

**38. Commitments and contingencies (cont'd)**

- 13) As of December 31, 2025, SK Battery America, Inc., a subsidiary, holds a call option to purchase all or part of the shares equivalent to 23% of the shares owned by the largest shareholder of its subsidiary, Yuilrobotics Co., Ltd., for a period of up to five years from the contract date. SK Battery America, Inc. is not obligated to exercise the call option, and upon exercising the call option, SK Battery America, Inc. will have the authority to appoint the board of directors except for one registered director.
- 14) SK Innovation Co., Ltd., a subsidiary, has entered into a PRS (Price Return Swap) agreement to settle the difference under certain conditions with the investors of newly issued shares of SK ie technology Co., Ltd., a subsidiary, in connection with the capital increase due to allocation to a third party during year ended December 31, 2025. Details of the above agreement are as follows:

	Details
Target company	SK ie technology Co., Ltd.
Investor	MS Power No.1 Co., Ltd. and others
Number of shares (in shares)	10,489,508
Effective date	August 7, 2025
Expiration date	August 7, 2028
Details of contract	When the buyer sells the underlying assets, the difference between the sale amount and the settlement amount is received

As of December 31, 2025, the Group recognized derivative financial liabilities of ₩48,057 million in relation to the rights under the PRS (Price Return Swap) agreement of its subsidiary, SK ie technology Co., Ltd.

**38. Commitments and contingencies (cont'd)**

15) In connection with the issuance of convertible preferred shares by Narae Energy Service Co., Ltd. and Yeosu Energy Service Co., Ltd., subsidiaries, the Group has established a first-priority exclusive pledge over all of the shares it holds in Narae Energy Service Co., Ltd. and Yeosu Energy Service Co., Ltd. in favor of the acquirer as pledgee, to secure the performance of the shareholders' agreement with the acquirer. Furthermore, if the lender group, as creditors under the acquisition financing loan agreement entered into by the acquirer for the purpose of acquiring the convertible preferred shares, requests the acquirer to obtain a consented repledge, the Group is obligated to cooperate in the execution and performance of such consented repledge. However, the enforcement of the re-pledge right is limited to circumstances in which the conditions prescribed in the relevant agreements are satisfied. SK Innovation Co., Ltd. has also entered into shareholders' agreements with the investor in connection with the convertible preferred shares issued by Narae Energy Service Co., Ltd. and Yeosu Energy Service Co., Ltd. (collectively, the "Target Companies"), which include the following key terms and conditions:

- SK Innovation's Right of First Offer (ROFO)
- Investor's Tag-along right
- Investor's Drag-along right
- Investor's IPO right

Meanwhile, the key terms related to the rights granted to the investor are as follows:

Description	Conditions	Rights
ROFO: Right of First Offer	- When SK Innovation intends to purchase all shares held by the investor and proposes a sale to the investor	- SK Innovation has the right to make an offer to sell all shares held by the investor.
Tag-along right	- When SK Innovation intends to transfer its shares to a third party that is not an affiliate. - Such transfer requires the investor's consent, and if the transfer would reasonably be expected to result in the investor not achieving the minimum IRR, the investor may consent only if the transfer price ensures achievement of the minimum IRR.	- The investor has the right to require SK Innovation to allow the investor to sell its shares on the same terms and conditions
Drag-along right	- If SK Innovation does not exercise its ROFO by the date falling 54 months from the effective date - If the investor initiates a joint sale process at any time after the fifth anniversary of the effective date	- The investor has the right to require SK Innovation to sell all of its shares to a third party on the same terms and conditions as those applicable to the investor - The investor has the right to receive sale proceeds prioritized to achieve the investor's minimum IRR
IPO right	- When the investor requests the promotion of a qualified IPO meeting the specific IRR conditions, subject to the investor having accepted the ROFO	- The investor has the right to request the promotion of a qualified IPO that meets the specific IRR conditions

**38. Commitments and contingencies (cont'd)**

The key terms related to the convertible preferred shares issued by Narae Energy Service Co., Ltd., a subsidiary, are as follows:

Description	Details
Name of securities	Narae Energy Service Co., Ltd. Class 1 and Class 2 Voting Convertible Preferred Shares
Issued amount of securities (in Korean won)	- Class 1 : KRW 1,100,000,000,000 - Class 2 : KRW 550,000,000,000
Issued number of shares (in shares)	- Class 1 : 3,520,000 shares - Class 2 : 1,760,000 shares
Voting rights	Each Class 1 and Class 2 convertible preferred share carries one voting right.
Dividend payment	- Class 1: Cumulative preferred shares entitled to receive a cash dividend equal to 6.00% per annum of the issue price per share, paid in priority to the common shares and Class 2 convertible preferred shares issued by the company. - Class 2: Non-cumulative preferred shares entitled to receive a cash dividend equal to 4.50% per annum of the issue price per share, paid in priority to the common shares issued by the company.
Details related to conversion	- Convertible holder : Shareholders of the preferred shares - Type of shares to be issued by conversion: Ordinary shares of Narae Energy Service Co., Ltd. - Conversion claim period: From the date falling 54 months after the issuance date (October 28, 2025) until the 10th anniversary of the issuance date. After the 10th anniversary, the preferred shares will be automatically converted into common shares. - Conversion price: The initial conversion price shall be KRW 34,237 per share.

The key terms related to the convertible preferred shares issued by Yeosu Energy Service Co., Ltd., a subsidiary, are as follows:

Description	Details
Name of securities	Yeosu Energy Service Co., Ltd. Class 1 and Class 2 Voting Convertible Preferred Shares
Issued amount of securities (in Korean won)	- Class 1 : KRW 900,000,000,000 - Class 2 : KRW 450,000,000,000
Issued number of shares (in shares)	- Class 1 : 5,000,000 shares - Class 2 : 2,500,000 shares
Voting rights	Each Class 1 and Class 2 convertible preferred share carries one voting right.
Dividend payment	- Class 1: Cumulative preferred shares entitled to receive a cash dividend equal to 6.00% per annum of the issue price per share, paid in priority to the common shares and Class 2 convertible preferred shares issued by the company. - Class 2: Non-cumulative preferred shares entitled to receive a cash dividend equal to 4.50% per annum of the issue price per share, paid in priority to the common shares issued by the company.
Details related to conversion	- Convertible holder : Shareholders of the preferred shares - Type of shares to be issued by conversion: Ordinary shares of Yeosu Energy Service Co., Ltd. - Conversion claim period: From the date falling 54 months after the issuance date (October 28, 2025) until the 10th anniversary of the issuance date. After the 10th anniversary, the preferred shares will be automatically converted into common shares. - Conversion price: The initial conversion price shall be KRW 18,170 per share.

**38. Commitments and contingencies (cont'd)**

16) SK Innovation Co., Ltd., a subsidiary, has entered into a shareholders' agreement with the co-shareholder in relation to Shinan Jeungdo Solar Co., Ltd.(the "Joint Venture"), which includes the following key terms.

- Co-shareholder's Right of First Refusal
- Co-shareholder's Drag-along right
- SK Innovation's Tag-along right
- Co-shareholder's Right of First Refusal for the Phase III Project

Meanwhile, the key terms related to the rights granted to the co-shareholder are as follows:

Description	Conditions	Rights
ROFR: Right of First Refusal	<ul style="list-style-type: none"> <li>- When the co-shareholder transfers all of its shares in Shinan Jeungdo Solar Co., Ltd. to a third party and the prior notice does not include the proposed price, proposed terms, or the identity of the proposed transferee</li> </ul>	<ul style="list-style-type: none"> <li>- Co-shareholder's Right of First Refusal (ROFR) to purchase the transferred shares on the same terms (price and other conditions) as notified to the permitted third party</li> </ul>
Drag-along right	<ul style="list-style-type: none"> <li>- After December 31, 2028, when the co-shareholder intends to sell all of its shares to a third party that is not a permitted transferee</li> <li>- When SK Innovation does not exercise its Right of First Refusal (ROFR), or the transaction fails to close even after such exercise</li> <li>- When the co-shareholder indicates its intention to exercise the drag-along right in the transfer notice</li> <li>- When SK Innovation intends to sell or transfer all or part of its ownership interest related to the Phase III project to a third party or an affiliate of SK Innovation</li> </ul>	<ul style="list-style-type: none"> <li>- The co-shareholder's right to require SK Innovation to sell all of its shares to the third party on the same terms</li> </ul>
Right of First Refusal, ROFR For Phase III	<ul style="list-style-type: none"> <li>- In addition, if a new entity is established through a physical division by SK Innovation for the development and operation of the Phase III project, the co-shareholder has the right to acquire 50% of the equity of such newly established entity</li> </ul>	<ul style="list-style-type: none"> <li>- The co-shareholder's Right of First Refusal (ROFR) to purchase the equity related to the Phase III project on the same terms (price and other conditions) as notified</li> </ul>

17) In accordance with the resolution of the Board of Directors on July 30, 2025, SK Innovation Co., Ltd., a subsidiary, decided to acquire all series 1 convertible preferred shares (a total of 51,079,105 shares) of SK On Co., Ltd., in order to strengthen management control over the subsidiary. Accordingly, the rights included in the shareholders' agreement such as the drag-along right and the put option granted to the investors of the series 1 convertible preferred shares of SK On Co., Ltd. were extinguished upon the acquisition by SK Innovation Co., Ltd.

### **38. Commitments and contingencies (cont'd)**

< SK Telecom Co., Ltd. and affiliates >

- 1) Agents of SK Telecom Co., Ltd., a subsidiary, are selling mobile devices to customers for use with SK Telecom Co., Ltd.'s communication services. SK Telecom Co., Ltd. has signed a contract with those agents to comprehensively acquire installment receivables. Meanwhile, SK Telecom Co., Ltd. has signed a securitization asset transfer agreement with a company specializing in liquidity for the transferred installment receivables. The balance of the installment receivables purchased by SK Telecom Co., Ltd. according to the above comprehensive transfer agreement as of December 31, 2025 and 2024 is ₩205,160 million and ₩241,962 million, respectively, which are recorded in receivables and long-term receivables.
- 2) SK Broadband Co., Ltd., a subsidiary, has entered into a Total Return Swap (TRS) with the beneficiaries of Aegis Specialized Investment Private Equity Real Estate Investment Trust No. 156 and Hana Alternative Investment Land Chip Private Equity Real Estate Investment Trust No. 62, respectively, and the beneficiary certificates of ₩270,000 million and ₩80,000 million issued by the Real Estate Fund as underlying assets. The settlement contract consists of the settlement of the difference according to the change in the value of the real estate at the expiration date of the contract and the settlement of the difference between the dividend and the standard dividend during the contract period. SK Broadband Co., Ltd. is obligated to guarantee the fixed rate of return to the counterparties of each settlement contract until the expiration of the contract. SK Broadband Co., Ltd. recognized the derivative financial assets of ₩91,824 million (₩64,926 million as of December 31, 2024) by discounting the cash flows expected to occur in the settlement contract using the present value method.
- 3) During the prior period, SAPEON Inc., a subsidiary, partially sold its shares in Rebellions Inc.. At the same time, SK Telecom Co., Ltd., a subsidiary, entered into an equity total return swap agreement under which the buyer receives the difference between the sale price and the settlement amount upon the sale of the shares. As of December 31, 2025, SK Telecom Co., Ltd. has recognized ₩555 million (₩2,689 million as of December 31, 2024) in derivative financial liabilities related to the equity swap agreement.
- 4) SK Telecom Co., Ltd., a subsidiary, has granted SK Real Estate Investment Trust Co., Ltd., an associate, a right of first negotiation with respect to the sale of certain real estate owned by SK Telecom Co., Ltd.. According to the agreement, the negotiation period spans 3 years from June 30, 2024, the date of the agreement. Additionally, SK Telecom Co., Ltd. has been granted the right from SK Real Estate Investment Trust Co., Ltd. to lease the real estate with priority over third parties in case the holder of the right of first negotiation purchases the real estate from SK Telecom Co., Ltd..
- 5) PS&Marketing Co., Ltd., a subsidiary, entered into a shareholders' agreement upon the sale of 2,169,379 common shares (representing a 70% equity interest) of SK M&Service Co., Ltd. to Samkoo I&C Co., Ltd.. Pursuant to the shareholders' agreement, PS&Marketing Co., Ltd. holds the right to sell all or part of its shares in accordance with the procedures and conditions stipulated in the agreement for a period of eight years commencing from the third anniversary of the transaction closing date. PS&Marketing Co., Ltd. has recognized a derivative financial asset of ₩11,230 million in relation to the put option included in the shareholders' agreement.

**38. Commitments and contingencies (cont'd)**

- 6) PS&Marketing Co., Ltd., a subsidiary, has entered into total return swap (TRS) agreements with the beneficiaries of Kookje Lucestar Investment Trust No. 2, a real estate collective investment scheme, with underlying assets being beneficiary certificates issued by the real estate fund in the amount of ₩50,000 million. The TRS agreements comprise cash settlements at maturity based on changes in the value of the real estate, as well as interim cash settlements representing the difference between dividends received and reference dividends during the contract period. Under the terms of the agreements, PS&Marketing Co., Ltd. is obligated to guarantee a fixed rate of return to each counterparty until the maturity of the contracts. PS&Marketing Co., Ltd. has recognized a derivative financial asset of ₩5,830 million (₩5,385 million as of December 31, 2024), measured by discounting the expected future cash flows arising from the TRS agreements using a present value technique.
- 7) As of December 31, 2025, commitments for the acquisition of Property, plant and equipment and intangible assets that have not yet been incurred amount to ₩24,008 million.

### **38. Commitments and contingencies (cont'd)**

< SK Square Co., Ltd. and affiliates >

- 1) SK Square Co., Ltd., a subsidiary, was newly established for the purpose of managing and investing in investee companies related to semiconductors and new ICT among the businesses of SK Telecom Co., Ltd. prior to the spin-off, and pursuant to Article 530 9.1 of the Commercial Code, 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) In connection with the capital increase of Tmap Mobility Co., Ltd., a subsidiary, SK Square Co., Ltd. entered into a shareholders' agreement with the investors of the newly issued shares. Under the agreement, if certain conditions are not met after the capital increase, the investors in the newly issued shares may exercise a tag-along right or other related rights to tender their shares of Tmap Mobility Co., Ltd.'s common stock held by SK Square Co., Ltd.. If the investor exercises such right, SK Square Co., Ltd. may exercise a call option to purchase the shares. As of December 31, 2025, SK Square Co., Ltd. recognized derivative financial liabilities totaling ₩122,487 million (₩128,467 million and ₩89,698 million as of December 31, 2024 and 2023, respectively) for these rights included in the shareholders' agreement.
- 3) Tmap Mobility Co., Ltd., a subsidiary, entered into a share pledge agreement with the seller in connection with the acquisition of common shares of Airport Limousine Co., Ltd.. In order to secure any future obligations under the Share Purchase Agreement and the Shareholders' Agreement with Tmap Mobility Co., Ltd., the seller has set up a first priority security interest in shares equal to 20% of the total issued shares of Airport Limousine Co., Ltd., an associate.
- 4) Under the shareholders' agreement entered into by SK Square Co., Ltd. with CJ ENM Co., Ltd. in November 2024, convertible bonds with a face value of ₩50,000 million, which were issued by Content Wave Co., Ltd., an associate, and acquired by SK Square Co., Ltd. in the prior period, were sold to CJ ENM Co., Ltd. during the year ended December 31, 2025, in accordance with the agreement, resulting in a decrease of derivative financial liabilities by ₩2,834 million. Furthermore, CJ ENM Co., Ltd. holds the right to request SK Square Co., Ltd. to sell convertible bonds up to ₩125,000 million out of the convertible bonds held by SK Square Co., Ltd. as of December 31, 2025, if certain conditions are met. As of December 31, 2025, SK Square Co., Ltd. has recognized derivative financial liability of ₩40,628 million (₩29,063 million as of December 31, 2024) based on the best available information included in the shareholders' agreement.
- 5) During the year ended December 31, 2025, due to a change in the shareholders of One Store Co., Ltd., a consolidated subsidiary of SK Square Co., Ltd., the long-term other payables of ₩156,418 million that had been recognized under the shareholders' agreement previously entered into with the former shareholder were extinguished.  
Meanwhile, SK Square Co., Ltd. entered into a new Price Return Swap (PRS) agreement with the new shareholders. Under this agreement, the new shareholder receives a fixed return from SK Square Co., Ltd. during the period in which it holds the shares of One Store Co., Ltd., and, upon the sale of the shares, the difference between the fair value and the contractual amount is settled with SK Square Co., Ltd. As of December 31, 2025, SK Square Co., Ltd. recognized derivative financial liabilities of ₩120,863 million in relation to the PRS agreement.
- 6) Tmap Mobility Co., Ltd., a subsidiary, entered into a shareholders' agreement upon acquiring common shares of E&F Milestone Co., Ltd., an associate, and has recognized derivative financial asset of ₩561 million (₩5,226 million as of December 31, 2024) related to the rights under the agreement as of December 31, 2025.

### **38. 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 Alpha Intelligence Private Equity Investment Limited Partnership and others. As of end of the current period, the Group plans to make additional capital contributions in the amount of USD 40,835 thousand through a capital call.
- 2) SK Networks Co., Ltd., a subsidiary, is subject to disposal restrictions under certain conditions for its subsidiary, POSK (Pinghu) Steel Processing Center Co., Ltd. and SK MENA Investment B.V; its associates, SVA Venture Fund II, SK Electlink Co., Ltd., Alpha Intelligence Private Equity Investment Limited Partnership, and Kindred HM1; as well as long-term investment securities, including Kurly Inc., Port One Holdings, Prostar Asia-Pacific Energy Infrastructure SK Fund L.P., and Hashed Venture Investment Association No. 2, among other fund products.
- 3) SK Networks Co., Ltd., a subsidiary, has entered into agreements regarding preferential purchase rights in connection with its equity investments in its associates SK MENA Investment B.V. and SVA Venture Fund II. It has also entered into agreements regarding preferential purchase rights and participation rights in co-sale in connection with its equity investments in its affiliates EVERON Co., Ltd., BLOCKODYSEY Co., Ltd., SK Electlink Co., Ltd., Kindred HM1, and BMSMILE Co., Ltd., and its long-term investment securities Upstage Co., Ltd.. Meanwhile, SK Networks Co., Ltd. is obligated to respond to other shareholders' exercise of co-sale rights in accordance with the shareholders' agreement for its affiliate SK Electlink Co., Ltd. and its equity investments in MycoWorks, Standard AI, Humane, Source.ag, and Sabanto.
- 4) SK Networks Co., Ltd., a subsidiary, holds a call option to purchase a portion of the equity in its affiliate BMSMILE Co., Ltd., and its long-term investment securities Upstage Co., Ltd., under certain conditions. As of December 31, 2025, SK Networks Co., Ltd. measured the fair value of the call option to purchase a portion of the shares of Upstage Co., Ltd. based on the best information available, and recognized derivative financial assets of ₩3,547 million as a result.
- 5) In May 2025, SK Networks Co., Ltd., a subsidiary, entered into a two-step existing share sale agreement with SK Eleclink Co., Ltd., an associate of SK Networks Co., Ltd.. The agreement is a stepwise sale structure that is conditional upon the completion of the first and second capital increases, and the sale consideration under the agreement is fixed. During the year ended December 31, 2025, the first-step share sale was completed upon the completion of the first capital increase, and the second capital increase is scheduled to commence by March 31, 2026. Accordingly, SK Networks Co., Ltd. recognized derivative financial assets of ₩3,220 million as of December 31, 2025 by reflecting the difference between the remaining fixed sale consideration and the fair value of the shares to be sold.

### **38. Commitments and contingencies (cont'd)**

< SKC Co., Ltd. and affiliates >

1) SK Nexilis Co., Ltd., a subsidiary, has entered into a shareholder's agreement with non-controlling shareholders, financial investors holding convertible redeemable preferred shares, in connection with convertible redeemable preferred shares issued by Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V.. Financial investors may, upon acquiring common shares by exercising conversion rights on the convertible redeemable preferred shares, sell such 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 with SK Nexilis Co., Ltd. the difference between the sale price and the initial investment price of the financial investors. Financial investors may claim settlement from SK Nexilis Co., Ltd., a subsidiary, for convertible redeemable 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., pursuant to the shareholders' agreement, pays financial investors an amount equal to a certain percentage of the issue price of convertible redeemable 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 redeemable preferred shares are not redeemed or settled, the financial investors 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 redeemable preferred shares of Nexilis Management Malaysia Sdn. Bhd. and NEXILIS MANAGEMENT EUROPE B.V..

- 2) SKC Co., Ltd., a subsidiary, entered into an agreement with the transferor of the ATK business regarding the acquisition of the ATK business in 2020. According to the agreement, SKC Co., Ltd. is obligated to pay the transferor an amount equivalent to 30% of the operating profit generated from the ATK business twice a year, in the first and second halves of each year. As of December 31, 2025, the outstanding amount under this agreement is ₩1,809 million and related litigation is in progress. However, subsequent to the reporting date, the litigation is finalized by court decision, and the payment of the remaining amount is completed.
- 3) SKC Co., Ltd., a subsidiary, decided as per the resolution of its board of directors on November 13, 2024, to sell the thin-film business of SK Nexilis Co., Ltd., a subsidiary, and accordingly classified the related assets and liabilities as held for sale. Meanwhile, SKC Co., Ltd. has granted a call option to acquire a portion of the land of SK Nexilis to Flexion Co., Ltd., the transferee of the Thin Film Division, which is scheduled to be transferred. The assets and liabilities held for sale were disposed of as of April 30, 2025.
- 4) Under the shareholders' agreement, SKC Co., Ltd., a subsidiary, and Petrochemical Industries Company K.S.C. each hold call and put options based on non-financial factors. However, it is not possible to predict whether these options will be exercised or the scale of such exercise at the moment.
- 5) SKC Co., Ltd., a subsidiary, has entered into a shareholders' agreement under which a specific shareholder of SK Nexilis Malaysia Sdn. Bhd., a subsidiary, may sell its shares to SKC Co., Ltd. at USD 32 per share on behalf of NEXILIS MANAGEMENT MALAYSIA SDN. BHD. if certain conditions are met. As of December 31, 2025, long-term payables amounting to ₩154,242 million have been recognized in connection with such agreement.

**38. Commitments and contingencies (cont'd)**

- 6) SKC Co., Ltd., a subsidiary, has entered into a capital support agreement under which, in the event of a shortfall in principal and interest repayment funds related to the borrowings of SK Nexilis Malaysia Sdn. Bhd., a subsidiary, amounting to USD 385,000,000, SKC Co., Ltd. is required to provide such shortfall to OCBC and AmBank through loans or capital contributions.
- 7) SKC Co., Ltd., a subsidiary, has entered into a notional cash pooling arrangement with Bank Mendes Gans to efficiently manage surplus and deficient funds.
- 8) SK Livio Co., Ltd., a subsidiary, has issued convertible redeemable preferred shares, and SKC Co., Ltd., a subsidiary, has entered into an agreement with the International Finance Corporation (IFC), the investor. According to the agreement, after September 1, 2032, once certain conditions are met and the investor becomes able to dispose of its corresponding equity interest, the investor may exercise its redemption right on the redeemable convertible preferred shares. In addition, if SK Livio Co., Ltd. lacks sufficient funds for redemption, the investor may claim redemption from SKC Co., Ltd. As of December 31, 2025, financial liabilities of ₩53,003 million have been recognized in connection with this agreement.

< SK Ecoplant Co., Ltd. and affiliates >

- 1) SK Ecoplant Co., Ltd., a subsidiary, holds call options for non-controlling shareholders of ECO FRONTIER (SINGAPORE) PTE. LTD. If the Parent Company does not exercise the call option and non-controlling shareholders sell their stake to the outside, it has entered into a shareholder agreement to compensate for the difference between the call option exercise price and the actual external sale price. SK Ecoplant Co., Ltd. has recognized derivative liabilities amounting to ₩94,644 million in accordance with the above shareholders' agreement.
- 2) SK Ecoplant Co., Ltd., a subsidiary, entered into an agreement with Eco Energy Holdings LCC, the buyer of SK ecoengineering Co., Ltd. redeemable convertible preferred shares, which was sold for the year ended December 31, 2022. If certain conditions are met in the future according to the agreement, Eco Energy Holdings LCC may exercise the drag-along right for its redeemable convertible preferred shares. SK Ecoplant Co., Ltd. has recognized derivative liabilities amounting to ₩107,862 million in connection with the above agreements relating to Eco Energy Holdings LLC.
- 3) SK Ecoplant Co., Ltd., a subsidiary, entered into agreements with financial investors of the I&K Youth Housing Private Real Estate Development Investment Company No. 1 and No. 2, Signature Youth Housing Private Real Estate Development Investment Company No. 1, K-Square Eco Songpa PFV, Yongin General Industrial Complex Co., Ltd., Smart Rail Co., Ltd., and Pohang Clear Water Road Co., Ltd.. According to these agreements, the financial investors have the option to exercise a put option on their holdings with SK Ecoplant Co., Ltd..
- 4) SK Ecoplant Co., Ltd., a subsidiary, has entered into a PRS (price return swap) agreement with Mainstream 19th Co., Ltd., the buyer of the Daehan 4 New Stay REIT Co., Ltd. stock sold for the year ended December 31, 2024, to settle the difference according to the terms and conditions. SK Ecoplant Co., Ltd. has recognized derivative financial assets amounting to ₩22,625 million in accordance with the above agreements relating to Mainstream 19th Co., Ltd..
- 5) SK Ecoplant Co., Ltd., a subsidiary, is obligated to fulfill the product purchase obligations under the fuel cell purchase agreement signed with Bloom Energy Corporation and is required to compensate for any loss of profits if it fails to meet the purchase obligations by 2027. However, the scope of the loss of profits is currently undetermined, and the amount and timing of the outflow of resources cannot be reasonably estimated.

**38. Commitments and contingencies (cont'd)**

- 6) SK Ecoplant Co., Ltd., a subsidiary, has entered into an excess compensation payment contract regarding fuel cell performance guarantees with Korea East-West Power Co., Ltd. and 11 other companies (hereinafter referred to as "others"), and is obligated to pay within the limit of the payment cap for any compensation that exceeds the performance guarantee liability guaranteed by Bloom Energy Corporation to the others.
- 7) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the buyer to compensate for the difference if certain conditions are not met in relation to the sale of Ascend Elements, Inc.'s convertible preferred shares. SK Ecoplant Co., Ltd. has recognized derivative liabilities amounting to ₩ 35,700 million in accordance with the above agreements.
- 8) SK Ecoplant Co., Ltd., a subsidiary, is obligated to compensate for any damage up to the construction amount if it violates the responsibility to complete the domestic fuel cell projects (total of 6 projects).
- 9) SK Ecoplant Co., Ltd., a subsidiary, has purchased income securities of the EIP PIS U.S. Solar Power Investment Trust No. 1 and No. 2, which are specialized investment vehicles for U.S. solar power investors. According to the investment contract, the total purchase amount of the income securities for the investment trust is USD 10 million, and the remaining contract amount will be paid based on the project stage.
- 10) SK Ecoplant Co., Ltd., a subsidiary, has entered into agreements with the financial investors of Gangneung Sacheon Fuel Cell Co., Ltd. and Chuncheon Green Energy Co., Ltd. According to the agreements, SK Ecoplant Co., Ltd. can exercise a put option on the shares it holds.
- 11) SK Ecoplant Co., Ltd., a subsidiary, has entered into an agreement with the financial investors of SK airplus Inc., under which it has agreed to spin off a portion of SK airplus Inc.'s business and established a newly incorporated unlisted company.
- 12) SK Ecoplant Co., Ltd., a subsidiary, 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. SK Ecoplant Co., Ltd. recognizes financial liabilities of ₩3,150 million in accordance with the above agreement related to SK Resonac Corporation.
- 13) Pursuant to the subscription agreement for the convertible preferred shares issued on July 22, 2022, SK Ecoplant Co., Ltd. is obligated to use its best efforts to complete an initial public offering on the KOSPI or KOSDAQ market by July 21, 2026, subject to a possible two-year extension upon obtaining the prior written consent of all investors. If, due to the willful misconduct or gross negligence of SK Ecoplant Co., Ltd., a qualified public offering is not completed by July 21, 2026, the IPO deadline, SK Ecoplant Co., Ltd. is required to pay the investors an amount equal to the sum of the investment principal of KRW 600,000 million and an amount calculated by applying an internal rate of return (IRR) of 12%. As the specific method of payment, SK Ecoplant Co., Ltd. shall either directly purchase the convertible preferred shares held by the investors or cause a third party to purchase them, and if the purchase price is less than the total amount to be paid, SK Ecoplant Co., Ltd. may be required to pay the investors the shortfall. Meanwhile, if SK Ecoplant Co., Ltd. fails to complete a qualified public offering by the IPO deadline in accordance with the terms of the subscription agreement for the convertible preferred shares, the largest shareholder of SK Ecoplant Co., Ltd. holds the right, under the shareholders' agreement entered into with SK Ecoplant Co., Ltd. and the investors, to request the investors to sell all of the convertible preferred shares held by them either directly to the largest shareholder or to a third party designated by the largest shareholder (call option). However, if a qualified public offering is not completed by the IPO deadline due to the willful misconduct or gross negligence of the issuing company, the largest shareholder may not exercise the call option.

**38. 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 (*5)	2019 / 02	Cenobamate	Europe	USD 539,000
Ono Pharmaceutical Co., Ltd.	2020 / 10	Cenobamate	Japan	JPY 53,100,000
Ignis Therapeutics.	2021 / 11	6 New Drugs, including Cenobamate and others	China, Hongkong, Macao	USD 186,000
	2024 / 04	7 New Drugs, including non-narcotic pain medication and others	Worldwide	USD 58,000
Knight Therapeutics Inc. (*6)	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 30 other countries (*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 South Korea, Australia, Russia, Southeast Asia, and others.

(\*5) It is the contract amount that includes an upfront payment and milestone payments for the transfer of Bulk Tablet production rights.

(\*6) On June 17, 2025, the commercialization rights were transferred from Endo Operations Limited (formerly, Endo Ventures Limited) to Knight Therapeutics, Inc..

2) SK Biopharmaceuticals Co., Ltd., a subsidiary, is a Limited Partner in the LifeSci Venture Partners II Fund in the United States. As of December 31, 2025, investments in the fund amount to USD 9,362,718.20 (investments in money: USD 8,217,818.20, revenue distributions reinvested: USD 1,144,900.00), and the investment period agreed between the parties has ended, but additional investments can be made up to USD 1,363,636.35 for subsequent investments in existing investments.

3) SK Biopharmaceuticals Co., Ltd., a subsidiary is participating as a limited partner in the LifeSci Venture Partners III fund in the U.S. The subsidiary has made a cash contribution of USD 4,532,383.26 up to December 31, 2025, and can make additional contributions of up to USD 3,467,616.74 for subsequent investments.

**38. Commitments and contingencies (cont'd)**

4) SK Biopharmaceuticals Co., Ltd., a subsidiary, entered into a Strategic Alliance Agreement with HIKMA MENA FZE in August 2023. As part of the agreement, SK Biopharm provided HIKMA MENA FZE with the right of first negotiation for technology transfer and product supply agreements (Product License Agreement) for its products approved for sale by the FDA or EMA in the Middle East and North Africa region. SK Biopharm received an upfront payment of USD 23 million. The upfront payment will be deducted from any costs HIKMA MENA FZE is obligated to pay to SK Biopharm under the technology transfer and product supply agreement. In the event of termination or suspension of the agreement, the remaining upfront payment will be refunded.

5) The agreement amount for the acquisition of intangible and tangible assets, which has not yet occurred as of December 31, 2025, for SK Siltron Co., Ltd., a subsidiary, is ₩380,241 million.

(7) Hybrid bonds

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

Issue segment	Description	Issuance date	Maturity date (*1)	Interest rate (%) (*2)	December 31, 2025	December 31, 2024
Group of SK Innovation Co., Ltd. (*2)	2nd public equity bond type	2023.10.19	2053.10.19	7.30	₩ 140,000	₩ 140,000
Group of SK Innovation Co., Ltd. (*2)	3rd private equity bond type	2024.03.07	2054.03.07	6.50	460,000	460,000
Group of SK Innovation Co., Ltd. (*2)	1st unsecured bonds with unsecured interest rights (private equity bond type)	2024.06.27	2054.06.27	6.42	500,000	500,000
Group of SK Innovation Co., Ltd.	1st Korean currency type	2020.07.14	2050.07.14	-	-	145,000
Group of SK Innovation Co., Ltd. (*2)	2nd Korean currency type	2025.08.04	2055.08.04	5.00	700,000	-
Group of SK Telecom Co., Ltd. (*2)	3rd public equity bond-type	2023.06.05	2083.06.05	4.95	400,000	400,000
Group of SK Ecoplant Co., Ltd.	1st bearer unguaranteed exchange bonds	2023.09.22	2053.09.22	-	-	323,650
Group of SKC Co., Ltd. (*2)	1st private perpetual exchange bonds with unguaranteed interest rights	2025.06.30	2055.06.30	-	260,000	-
Group of SKC Co., Ltd. (*2)	2nd private perpetual exchange bonds with unguaranteed interest rights	2025.08.26	2055.08.26	-	125,000	-

**38. Commitments and contingencies (cont'd)**

(\*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.

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

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

Type (bill/check)	Papers	Face value	
Blank check	70	₩	-
Blank notes	22		-
Notes	2		792

(9) Enforceable master netting agreement or similar agreement

Carrying amount of financial instruments recognized for which offset agreements are applicable as of December 31, 2025 and 2024 is as follows (Korean won in millions):

	December 31, 2025		
	Gross financial instruments recognized	Gross financial instruments offset	Net financial instruments presented in the consolidated statement of financial position
Financial assets:			
Trade receivables and other receivables	₩ 370,644	₩ (225,868)	₩ 144,776
Financial liabilities:			
Other payables and other liabilities	373,643	(225,868)	147,775
	December 31, 2024		
	Gross financial instruments recognized	Gross financial instruments offset	Net financial instruments presented in the consolidated statement of financial position
Financial assets:			
Trade receivables and other receivables	₩ 348,790	₩ (193,121)	₩ 155,669
Financial liabilities:			
Other payables and other liabilities	341,532	(193,121)	148,411

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**39. Pledged Assets**

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

<u>Company</u>	<u>Asset</u>	<u>Currency</u>	<u>Book value</u>	<u>Collateralized amount (*1)</u>	<u>Provided to</u>	<u>Description</u>
ONEPOL Co., Ltd.	Property, plant and equipment	KRW	3,609	3,360	Shinhan Bank	Collateral for borrowing
Sino-Korea Green New Material (JiangSu) Ltd.	Right of use assets	KRW	3,213	3,333	Bank of China	Collateral for borrowing
SK On Co., Ltd	Land, buildings and machinery	KRW	363,748	397,900	Kia corporation and Hyundai Motor company	Loan agreement and others
SK Innovation Co., Ltd.	Investments in subsidiaries, associates, and joint ventures	KRW	402,086	402,086	PF lenders	Collateral for PF
	Investments in joint ventures	USD	14,000	14,000	Bangkok Bank Public Company Limited	Collateral for PF
	Investments in subsidiaries	KRW	562,348	562,348	Nexgen Energy No. 1 Co., Ltd., Nexgen Energy No. 2 Co., Ltd.	Compensation liabilities arising from a shareholders' agreement
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	881,339	360,000	Kookmin Bank and others	Facility loan collateral
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	3,885	81	LG Hello Vision Co., Ltd.	Collateral for deposits received
NEW RENEWABLE ENERGY NO.1 JSC	Investments in associates	VND	1,102,500,000	1,102,500,000	JOINT STOCK COMMERCIALBANK FOR FOREIGN TRADE OF VIETNAM	Collateral for PF
Ensolve Co., Ltd. (formerly Busan Jungkwan Energy Co., Ltd.)	Property, plant and equipment	KRW	85,916	96,000	Nonghyup Bank and others	Collateral for borrowing
	Short-term financial instruments	KRW	5,000	5,000	Jeonnam Offshore Wind Power Co., Ltd.	Pledge of deposits under the O&M agreement
IGE Co., Ltd.	Property, plant and equipment and others	KRW	642,756	493,800	Korea Development Bank	Collateral for PF
Yeongnam Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	6,979	4,332	Industrial Bank of Korea	Collateral for borrowing
PASSKEY, INC.	Property, plant and equipment	USD	7,130	7,130	Citibank Korea	Loan collateral
SK GC Americas, Inc.	Bonds	USD	6,632	5,000	Korea Development Bank	Collateral for borrowing
SK Energy Co., Ltd.	Investments in associates	KRW	609	609	KEB Hana Bank and others	Collateral for PF borrowings
Netruck Co.,Ltd.	Property, plant and equipment	KRW	2,446	130	BS Hanyang Co., Ltd. and others	Collateral for pledging
Ko-one Energy Service Co., Ltd.	Property, plant and equipment	KRW	8,786	540,000	NH Investment & Securities Co.,Ltd. and others	Collateral for borrowings
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	7,070	1,148	Industrial Bank of Korea and others	Restricted real rights for office lease
Incross Co., Ltd	Short-term financial instruments	KRW	27,839	27,839	Naver Co., Ltd. and others	Performance guarantees for contract
SK Speedmate Co., Ltd.	Property, plant and equipment	KRW	1,000	1,800	BMW Financial Services Korea Co.,Ltd.	Collateral for borrowing

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**39. Pledged Assets (cont'd)**

<u>Company</u>	<u>Asset</u>	<u>Currency</u>	<u>Book value</u>	<u>Collateralized amount (*1)</u>	<u>Provided to</u>	<u>Description</u>
EN-CORE CO., LTD.	Debt instrument	KRW	226	226	Korea Software Financial Cooperative	Business collateral
ISC Co., Ltd.	Short-term financial instruments	KRW	2	2	KEB Hana Bank	Payment guarantee
SK Nexilis Co., Ltd.	Investments in subsidiaries	KRW	522,940	522,940	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	24,811	33,600	Korea Development Bank	Collateral for borrowing
SK Ecoengineering Co., Ltd.	Debt instruments and others	KRW	19,520	19,520	Korea Construction Guarantee Cooperative and others	Collateral for construction guarantee
SK Ecoplant Co., Ltd.	Debt instruments and others	KRW	27,827	27,828	Kookmin Bank and others	Collateral for borrowing and others
	Investments in associates and others	KRW	2,978,077	2,274,811	Korea Development Bank and others	Collateral for borrowing
SKEC Nanjing Co., Ltd.	Short-term financial instruments	CNY	167,000	167,000	Bank of China	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	1,038,350	300,980	KEB Hana Bank and others	Collateral for borrowing and others
	Debt instruments	KRW	9,064	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	247,947	88,669	KEB Hana Bank and others	Insurance pledge and others
ECO FRONTIER (SINGAPORE) PTE. LTD.	Investments in subsidiaries	KRW	1,888,104	1,888,104	Samsung Securities Co.,Ltd. and others	Collateral for borrowing and others
	Property, plant and equipment	KRW	40,732	91,618	MAYBANKSINGAPORELIMITED and others	Collateral for borrowing
	Long-term and short-term financial instruments	KRW	5,805	5,796	MAYBANKSINGAPORELIMITED and others	Collateral for borrowing and others
SK Resonac Corporation	Property, plant and equipment	KRW	24,425	30,000	Korea Development Bank	Collateral for borrowing
SK airplus Inc.	Property, plant and equipment	KRW	94,720	40,200	Woori Bank and others	Collateral for borrowing
Topsun Co.,Ltd.	Property, plant and equipment	KRW	9,443	12,600	KEB Hana Bank	Collateral for borrowing
	Short-term financial instruments	KRW	240	264	Industrial Bank of Korea	Collateral for borrowing
	Others	KRW	5,622	7,800	Korea Development Bank and others	Collateral for borrowing
	Debt instruments	KRW	1,029	850	Electric Contractors' Financial Cooperative	Collateral for borrowing
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	4,696	3,840	Suwon-Hwaseong-Osan Livestock Cooperative	Collateral for borrowing

**SK Inc. and its subsidiaries**  
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**39. Pledged Assets (cont'd)**

<u>Company</u>	<u>Asset</u>	<u>Currency</u>	<u>Book value</u>	<u>Collateralized amount (*1)</u>	<u>Provided to</u>	<u>Description</u>
SK Siltron Co., Ltd.	Property, plant and equipment	KRW	1,022,787	408,700	Korea Development Bank and others	Collateral for borrowing
	Property, plant and equipment and others	USD	792,925	613,100	Korea Development Bank and others	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Investment property	USD	450,175	1,600,000	Bank of China communications	Collateral for borrowing
SK Pharmteco Inc.	Short-term financial instruments	USD	45,500	45,500	Woori Bank and others	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	90,541	120,000	Korea Development Bank	Collateral for facility loan and overseas guarantee
SK Signet Inc.	Property, plant and equipment and others	KRW	10,963	25,920	Korea Development Bank and others	Collateral for borrowing
SK South East Asia Investment Pte. Ltd.	Short-term financial instruments	USD	647	647	SacombankDongThapBranch and others	Collateral for borrowing
Hwichan Co., Ltd.	Property, plant and equipment	KRW	15,420	13,440	KEB Hana Bank	Collateral for borrowing
	Property, plant and equipment and others	KRW	21,986	4,200	KEB Hana Bank	Insurance coverage

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

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**39. Pledged Assets (cont'd)**

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

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Netruck Co., Ltd.	Property, plant and equipment	KRW	₩ 2,388	₩ 630	Hyundai Engineering Co., Ltd.	Collateral for pledging
Won Poll Co., Ltd.	Property, plant and equipment	KRW	3,651	3,360	Shinhan Bank	Collateral for borrowing
Sino-Korea Green New Material (JiangSu) Ltd.	Right of use assets	KRW	3,226	3,277	Bank of China	Collateral for borrowing
SK GC Americas, Inc.	Bonds	USD	7,240	5,000	Industrial Bank of Korea	Collateral for borrowing
SK On Co., Ltd.	Property, plant and equipment	KRW	391,270	397,900	Kia Corporation and Hyundai Motor Company	Loan agreement
SK Broadband Co., Ltd.	Property, plant and equipment	KRW	-	1,048	Industrial Bank of Korea and others	Restricted real rights for office lease
Eleven Street Co., Ltd.	Short-term financial instruments	KRW	860	860	Galaxia Moneytree and others	Pledge establishment
Eleven Street Co., Ltd.	Debt instruments	KRW	1,500	1,500	Seoul Guarantee Insurance Company	Collateral for guarantee
Incross Co., Ltd.	Short-term financial instruments	KRW	27,167	27,167	Naver Co., Ltd. and others	Performance guarantees
ONE Store Co., Ltd.	Investment property, short-term financial instruments	KRW	2,264	2,262	Shinhan Bank, Suhyup Bank	Collateral for borrowing and FX guarantee
SK Networks Co., Ltd.	Property, plant and equipment	KRW	280,897	392,289	Korea Development Bank	Collateral for sales
SK Magic Co., Ltd.	Property, plant and equipment	KRW	95,422	96,000	Korea Development Bank and others	Collateral for borrowing
EN-CORE CO., LTD.	Debt instruments	KRW	219	219	Korea Software Financial Cooperative	Collateral for guarantee
SK ENPULSE Co., Ltd.	Property, plant and equipment and others	KRW	19,049	30,477	Shinhan Bank and others	Collateral for borrowing
SK nexilis Co., Ltd.	Property, plant and equipment	KRW	308,492	222,000	Korea Development Bank and others	Collateral for borrowing
Nexilis Management Europe B.V.	Investments in subsidiaries	KRW	522,940	522,940	Korea Development Bank and others	Collateral for borrowing
SK PIC Global Co., Ltd.	Property, plant and equipment	KRW	27,834	33,600	Korea Development Bank	Collateral for borrowing
SK Innovation Co., Ltd.	Investments in associates	KRW	844,514	844,514	PF lenders	Collateral for PF
		USD	10,545	14,000	Bangkok Bank Public Company Limited	Collateral for PF
		VND	1,102,500,000	1,102,500,000	Joint Stock Commercial Bank for Foreign Trade of Vietnam	Collateral for PF
Paju Energy Service Co., Ltd.	Property, plant and equipment	KRW	938,814	360,000	Kookmin Bank and others	Facility loan collateral
Chonnam City Gas Co., Ltd.	Property, plant and equipment	KRW	3,792	81	LG HelloVision Corp.	Pledge for leasehold deposit
Narae Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	482,485	505,000	Korea Development Bank and others	Collateral for borrowing
Yeoju Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	883,678	601,200	Korea Development Bank and others	Collateral for PF borrowing
Kowon Energy Service Co., Ltd.	Investments in associates	KRW	2,584	2,584	Kookmin Bank and others	Collateral for PF borrowing

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**39. Pledged Assets (cont'd)**

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
Ensolve Co., Ltd. (formerly Busan Jungkwan Energy Co., Ltd.)	Property, plant and equipment	KRW	95,845	100,800	NH Bank and others	Facility loan collateral
IGE Co., Ltd.	Property, plant and equipment and others	KRW	123,594	493,800	Korea Development Bank	Collateral for PF
Yeongnam Energy Service Co., Ltd.	Property, plant and equipment and others	KRW	6,344	8,664	Industrial Bank of Korea	Collateral for borrowing
SK Ecoplant Co., Ltd.	Debt instruments and others	KRW	29,105	29,105	Kookmin Bank and others	Collateral for borrowing and others
	Investments in associates and others	KRW	1,897,231	1,897,231	Korea Development Bank and others	Collateral for borrowing
Seongju Tech Co., Ltd.	Property, plant and equipment	KRW	23,826	18,000	Suhyup Bank and others	Collateral for PF
Renewenergy Chungnam Co., Ltd.(*2)	Property, plant and equipment	KRW	10,418	3,000	Korea Development Bank	Collateral for borrowing
Renewone Co., Ltd.(*2)	Investments in associates and others	KRW	559,529	2,764	KEB Hana Bank and others	Collateral for borrowing
Renewenergy Green Co., Ltd.(*2)	Property, plant and equipment	KRW	19,693	9,600	Korea Development Bank	Collateral for borrowing
Renewland Cheongju Co., Ltd.(*2)	Property, plant and equipment	KRW	8,241	10,800	Kyongnam Bank	Collateral for borrowing
SK Oceanplant Co., Ltd.	Property, plant and equipment	KRW	958,875	300,980	KEB Hana Bank and others	Collateral for borrowing and others
	Debt instruments	KRW	9,064	9,064	Korea Defense Guarantee Cooperative and others	Collateral for guarantee
	Others	KRW	266,250	85,200	KEB Hana Bank and others	Insurance pledge and others
RenewUs Co., Ltd.(*2)	Property, plant and equipment	KRW	28,978	123,160	KEB Hana Bank and others	Collateral for borrowing and others
	Investments in subsidiaries	KRW	311,126	88,700	KEB Hana Bank and others	Collateral for borrowing and others
	Equity instruments	KRW	10,644	110,323	Woori Bank and others	Collateral for borrowing and others
	Others	KRW	1,753,182	1,710,376	KEB Hana Bank and others	Pledge and others
Renewenergy Chungbuk Co., Ltd.(*2)	Property, plant and equipment	KRW	130,853	60,000	KEB Hana Bank and others	Collateral for borrowing and others
	Others	KRW	79,210	96,000	KEB Hana Bank and others	Comprehensive insurance pledge
Renewenergy Metro Co., Ltd.(*2)	Property, plant and equipment	KRW	1,572	771	Woori Bank	Collateral for borrowing
Eco Frontier (Singapore) Pte. Ltd.	Investments in subsidiaries	KRW	1,512,656	1,512,656	Korea Development Bank and others	Collateral for borrowing
SK Industrial Development China Co., Ltd.	Investment property	USD	498,711	1,600,000	Bank of China communications	Collateral for borrowing

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**39. Pledged Assets (cont'd)**

Company	Asset	Currency	Book value	Collateralized amount(*1)	Provided to	Description
SK Specialty Co., Ltd.(*)2)	Property, plant and equipment	KRW	55,000	138,668	Korea Development Bank and others	Collateral for borrowing
		USD		3,500	Korea Development Bank	Collateral for borrowing
		JPY		3,690	Korea Development Bank	Collateral for borrowing
	Short-term financial instruments	KRW	-	60	KODIT 2022-9 Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	-	75	KODIT 2022-10 Securitization Specialty Co., Ltd.	Collateral for borrowing
		KRW	-	165	KODIT Global 2022-1 Securitization Specialty Co., Ltd.	Collateral for borrowing
SK Specialty Japan Co., Ltd.(*)2)	Property, plant and equipment	JPY	138,488	315,000	MUFG Bank	Collateral for borrowing
SK Materials Airplus Co., Ltd.	Property, plant and equipment	KRW	359,413	195,000	Shinhan Bank and others	Collateral for borrowing
SK Resonac Corporation.	Property, plant and equipment	KRW	28,005	30,000	Korea Development Bank	Collateral for borrowing
SK Materials Performance Co., Ltd.	Property, plant and equipment	KRW	16,428	16,200	Korea Development Bank	Collateral for borrowing
SK Siltron Co., Ltd.	Property, plant and equipment	KRW	1,037,511	408,700	Korea Development Bank and others	Collateral for borrowing
	Property, plant and equipment and others	USD	1,013,444	1,073,944	Korea Development Bank and others	Collateral for borrowing
SK Materials Group 14 Co., Ltd.(*)2)	Others	KRW	8,031	8,031	KEB Hana Bank and five other banks	Collateral for borrowing
SK Biotek Co., Ltd.	Property, plant and equipment	KRW	93,569	120,000	Korea Development Bank	Collateral for facility loan and overseas guarantee
Gangdong Green Complex Co., Ltd.	Property, plant and equipment	KRW	4,696	3,840	Suwon-Hwaseong-Osan Livestock Cooperative	Collateral for borrowing
Evertch Enterprise Co., Ltd.	Property, plant and equipment	KRW	7,761	6,360	Industrial Bank of Korea	Collateral for borrowing
SK Signet Inc.	Property, plant and equipment	KRW	48,298	25,944	Korea Development Bank and others	Collateral for borrowing
SK Powertech Co., Ltd.(*)2)	Property, plant and equipment	KRW	34,000	40,800	Korea Development Bank and others	Collateral for borrowing
SK Tri Chem Co., Ltd.	Property, plant and equipment	KRW	5,472	3,692	Sejong City Government	Collateral for Local Investment Promotion Subsidy Support
Hwicheon Co., Ltd.	Property, plant and equipment	KRW	14,825	13,440	KEB Hana Bank	Collateral for borrowing
	Property, plant and equipment and others	KRW	24,496	4,200	KEB Hana Bank	Insurance coverage

(\*1) The acquisition cost or carrying amount of securities provided as collateral for project financing (PF) loans and facility borrowings is included.

(\*2) As the consolidated entity decided to dispose of all of the equity interests held, the relevant equity interests were classified as assets held for sale, and all such interests were disposed of during the current period (see Note 36, "Discontinued operations and assets held for sale and related liabilities").

**SK Inc. and its subsidiaries**  
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**40. Deposits restricted in use**

Deposits restricted in use as of December 31, 2025 and 2024 are as follows (Korean won in millions):

Account	Classification	Institution	December 31, 2025	December 31, 2024	Description of restriction
Cash and cash equivalents	Ordinary deposits and others	KDB and others	₩ 384,533	₩ 581,374	Pledge and others
Short-term financial instruments	Mutual growth fund deposits and others	Industrial Bank of Korea and others	479,490	383,658	Deposits for mutual growth funds and others
Long-term financial instruments	Time deposits and others	Kookmin Bank and others	34,124	42,402	Pledge and others
Others	Refund guarantee deposits and others	Korea Software Financial Cooperative and others	4,123	4,075	Deposits and others

**41. Financial risk management**

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

**(1) Financial risk management**

Risk management policy

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

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

**41. Financial risk management (cont'd)**

**(2) Credit risk**

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

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

	December 31, 2025	December 31, 2024
Financial assets measured at FVTPL (*1)	₩ 3,146,225	₩ 3,839,784
Financial assets measured at FVOCI	224,261	252,832
Financial assets measured at amortized cost (*1)	20,437,724	19,623,429
Financial assets designated as hedging instruments	509,226	741,600
	<u>₩ 24,317,436</u>	<u>₩ 24,457,645</u>

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

On the other hand, the Group has provided payment guarantees for others including related parties, associates and others. The Group, due to its payment guarantees, is exposed to credit risk (See Note 38).

2) Changes in the loss allowance on trade receivables and others for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025				
	Beginning balance	Impairment	Write-off	Others	Ending balance
Trade receivables	₩ 540,897	₩ 272,027	₩ (69,770)	₩ 10,936	₩ 754,090
Other receivables	604,423	240,933	(45,252)	(48,889)	751,215
	<u>₩ 1,145,320</u>	<u>₩ 512,960</u>	<u>₩ (115,022)</u>	<u>₩ (37,953)</u>	<u>₩ 1,505,305</u>

  

	December 31, 2024				
	Beginning balance	Impairment	Write-off	Others	Ending balance
Trade receivables	₩ 526,778	₩ 101,545	₩ (49,710)	₩ (37,716)	₩ 540,897
Other receivables	496,513	118,362	(9,976)	(476)	604,423
	<u>₩ 1,023,291</u>	<u>₩ 219,907</u>	<u>₩ (59,686)</u>	<u>₩ (38,192)</u>	<u>₩ 1,145,320</u>

3) The details of overdue or impairment financial assets for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025						
	Normal receivables (non-past due and unimpaired receivables)	Past due but unimpaired receivables				Individual impaired bonds	Total
		Less than one month	One~three months	Three~six months	More than six months		
Trade receivables	₩ 11,713,612	₩ 1,007,844	₩ 286,522	₩ 178,546	₩ 880,770	₩ 504,195	₩ 14,571,489
Other receivables	3,361,409	371,752	79,227	736,820	915,393	723,038	6,187,639
Total	<u>₩ 15,075,021</u>	<u>₩ 1,379,596</u>	<u>₩ 365,749</u>	<u>₩ 915,366</u>	<u>₩ 1,796,163</u>	<u>₩ 1,227,233</u>	<u>₩ 20,759,128</u>

  

	December 31, 2024						
	Normal receivables (non-past due and unimpaired receivables)	Past due but unimpaired receivables				Individual impaired bonds	Total
		Less than one month	One~three months	Three~six months	More than six months		
Trade receivables	₩ 10,485,516	₩ 1,495,773	₩ 460,402	₩ 853,843	₩ 688,890	₩ 612,530	₩ 14,596,954
Other receivables	4,554,408	156,822	98,523	345,097	659,917	477,007	6,291,774
Total	<u>₩ 15,039,924</u>	<u>₩ 1,652,595</u>	<u>₩ 558,925</u>	<u>₩ 1,198,940</u>	<u>₩ 1,348,807</u>	<u>₩ 1,089,537</u>	<u>₩ 20,888,728</u>

**41. Financial risk management (cont'd)**

4) Guarantees

SK Ecoplant Co., Ltd., one of the subsidiaries, offers payment guarantees for loans of project financing. The financing liabilities related to the payment guarantees recognized are ₩27,011 million as of December 31, 2025. The Group recognizes the financial guarantee liabilities related to the payment guarantees contracted with the Group, such as SK Ecoplant Co., Ltd., as of December 31, 2025 and 2024 (Korean won in millions).

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
SK Innovation Co., Ltd.	₩ 22,094	₩ 943
SK Ecoplant Co., Ltd.	27,011	30,287
SK Biotek Co., Ltd.	-	194
	<u>₩ 49,105</u>	<u>₩ 31,424</u>

In addition, the Group has provided payment guarantees for others, including subsidiaries and others. (See Notes 35 and 38).

5) Other financial assets

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

**41. Financial risk management (cont'd)**

**(3) Liquidity risk**

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

The Group participates in supplier financing arrangements to streamline the payment process to suppliers and offer early payment terms compared to the standard trade payable settlement period. Under this arrangement, the consolidated entity centralizes its financial liabilities owed to individual suppliers through the bank. From the perspective of the consolidated entity, this arrangement does not result in a significant extension of the payment period compared to the normal payment terms for other suppliers who do not participate in the supplier financing arrangement. (See Note 6.(2))

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

	December 31, 2025				
	Less than 3 months	3 ~ 12 months	1 ~ 5 years	More than 5 years	Total
Bonds and borrowings	₩ 9,377,260	₩ 19,437,312	₩ 40,441,303	₩ 11,059,387	₩ 80,315,262
Derivative financial liabilities	116,354	446,261	1,177,716	-	1,740,331
Trade payables	11,436,087	1,647,226	-	-	13,083,313
Lease liabilities	163,162	1,034,742	3,084,078	1,975,624	6,257,606
Other liabilities	9,071,009	2,831,905	1,387,733	134,967	13,425,614
Guarantee contracts (*1)	4,148,673	-	-	-	4,148,673
	<u>₩ 34,312,545</u>	<u>₩ 25,397,446</u>	<u>₩ 46,090,830</u>	<u>₩ 13,169,978</u>	<u>₩ 118,970,799</u>

(\*1) As of December 31, 2025, the maximum guarantee limit for credit risk under financial guarantee contracts amounts to ₩5,636,496 million.

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

(\*1) As of December 31, 2024, the maximum guarantee limit for credit risk under financial guarantee contracts amounts to ₩4,256,657 million.

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

**(4) Market risk**

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

**41. Financial risk management (cont'd)**

1) Foreign currency risk

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

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

	Currency	December 31, 2025		December 31, 2024	
		Korean won equivalent	Foreign currencies	Korean won equivalent	Foreign currencies
Assets	USD	₩ 12,211,426	8,510,298	₩ 15,253,310	10,376,401
	JPY	108,263	11,798,089	118,047	12,605,381
	CNY	210,564	1,028,344	163,054	810,125
	EUR	307,578	182,461	264,305	172,891
	Others	494,789		167,099	
Liabilities	USD	19,421,198	13,534,879	20,152,622	13,709,266
	JPY	78,064	8,507,154	91,364	9,756,076
	CNY	915,072	4,468,998	1,232,054	6,121,401
	EUR	281,025	166,709	301,137	196,985
	Others	867,161		589,968	

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

Currency	December 31, 2025		December 31, 2024	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ (530,639)	₩ 530,639	₩ (360,589)	₩ 360,589
JPY	2,223	(2,223)	1,964	(1,964)
CNY	(51,852)	51,852	(78,678)	78,678
EUR	1,954	(1,954)	(2,711)	2,711
Others	(27,407)	27,407	(31,123)	31,123

The Group is hedging currency risk by using derivative financial instruments such as currency swaps, currency forwards and others (See Note 23).

#### 41. Financial risk management (cont'd)

##### 2) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument may fluctuate because of changes in market interest rates. The Group manages its interest rate risk by maintaining a balanced portfolio of fixed and variable rate loans and borrowings, The Group's risk hedging activities are evaluated periodically to consider the status of interest rates and degree of risk aversion and fulfill optimal risk hedging strategies.

Significant assets and liabilities exposed to interest rate risk as of December 31, 2025 and 2024 are as follows (Korean won in millions):

	Interest rate type	December 31, 2025
Bonds	Variable	₩ 430,470
Borrowings	Variable	13,533,671
Long-term other payables	Variable	551,925
	Interest rate type	December 31, 2024
Bonds	Variable	₩ 471,000
Borrowings	Variable	18,503,253
Long-term other payables	Variable	921,075

All other variables are constant and the impact of a 1%p change in interest rate on net income before income tax for the ended December 31, 2025 and 2024 is as follows (Korean won in millions):

	December 31, 2025		December 31, 2024	
Currency	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Profit before income tax	₩ (145,161)	₩ 145,161	₩ (198,953)	₩ 198,953

##### 3) Crude oil and petroleum product price risk

Crude oil and petroleum product price risk is the risk that profit or cash flow may fluctuate because of changes in international market prices of crude oil and petroleum products. The Group manages this risk and aims to maintain stable margins by entering into fixed-price supply contracts or using derivative instruments. However, the Group is exposed to the risk of fluctuations in the fair value of these derivatives as of the reporting date, depending on changes in international prices. Nevertheless, the changes in fair value of derivatives may offset the volatility in operating profit, and the price risk of crude oil and petroleum products is considered to be appropriately controlled.

##### 4) Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments may fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk. The Group's investment securities are exposed to such price risk.

**41. Financial risk management (cont'd)**

**(5) Capital risk management**

The fundamental goal of capital management is to keep a sound financial structure. The Group is using the debt ratio, calculated as total debt divided by total amount of capital, as an indicator of capital management. The Group maintains a debt ratio of 149.17% as of December 31, 2025. The maturity of the debt is dispersed in the long term; so, debt-repayments are not demanding.

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

	December 31, 2025	December 31, 2024
Total liabilities	₩ 127,828,333	₩ 134,690,218
Total equity	85,691,335	80,287,536
Debt ratio	149.17%	167.80%

**42. Greenhouse Gas Emissions and Emissions Liabilities**

(1) The quantity of free allocation emission rights for each year of implementation in the third planned period (2021-2025) is as follows (in tCO<sub>2</sub>-eq):

	2024	2025	Total
Free-allocated emission rights	28,071,046	26,725,066	54,796,112

(2) Changes in the quantity of emission rights held for the purpose of performing obligations and the carrying amount as of December 31, 2025 and 2024 are as follows (in tCO<sub>2</sub>-eq and Korean won in millions):

	December 31, 2025					
	2024		2025		Total	
	Quantity	Amount	Quantity	Amount	Quantity	Amount
Beginning balance	27,829,182	₩ 2,084	26,786,795	₩ 3,227	54,615,977	₩ 5,311
Carried forward from prior year	2,320,010	1,569	3,711,954	5,381	6,031,964	6,950
Purchase (disposal)	(1,749,241)	9,227	(1,239,137)	2,688	(2,988,378)	11,915
Government submission	(24,090,763)	(5,612)	(5,760,069)	(3,059)	(29,850,832)	(8,671)
Carried forward to subsequent year	(3,711,954)	(3,815)	-	-	(3,711,954)	(3,815)
Others	(19,082)	(1,850)	(714,783)	(973)	(733,865)	(2,823)
Ending balance	578,152	₩ 1,603	22,784,760	₩ 7,264	23,362,912	₩ 8,867

  

	December 31, 2024							
	2023		2024		2025		Total	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Beginning balance	25,970,640	₩ 3,368	27,874,409	₩ -	27,725,024	₩ -	81,570,073	₩ 3,368
Carried forward from prior year	1,280,699	1,568	3,452,299	5,326	-	-	4,732,998	6,894
Purchase (disposal)	(993,358)	6,969	(2,878,856)	7,104	(169,238)	-	(4,041,452)	14,073
Government submission	(22,935,853)	(6,568)	-	-	-	-	(22,935,853)	(6,568)
Carried forward to subsequent year	(3,452,299)	(5,328)	-	-	-	-	(3,452,299)	(5,328)
Others	442,881	(9)	145,270	1,426	5,031	-	593,182	1,417
Ending balance	312,710	₩ -	28,593,122	₩ 13,856	27,560,817	₩ -	56,466,649	₩ 13,856

Meanwhile, as of December 31, 2025, there are no emission rights provided as collateral and no emission rights held for gains on trading.

**42. Greenhouse Gas Emissions and Emissions Liabilities (cont'd)**

(3) Changes in the emission liabilities for the years ended December 31, 2025 and 2024 are as follows (Korean won in millions):

	December 31, 2025				
	Beginning balance	Increase	Decrease	Other	Ending balance
Emission liabilities	₩ 10,614	₩ 18,762	₩ (15,112)	₩ (323)	₩ 13,941
	December 31, 2024				
	Beginning balance	Increase	Decrease	Other	Ending balance
Emission liabilities	₩ 7,819	₩ 10,291	₩ (7,596)	₩ 100	₩ 10,614

(4) The estimated amount of greenhouse gas emissions for the year ended December 31, 2025 is 20,331,226 tons (tCO<sub>2</sub>-eq).

**43. Business combination**

(1) General information on business combinations occurred during year ended December 31, 2025 is as follows:

	BOOM LOW FARM	Chopo Energy Co., Ltd.	GREEN LAND	Yuilrobotics. Co., Ltd.
	SOLAR LIMITED.		POWER CO., LTD.	
Description on the acquiree	Solar power	Solar power facility construction	Real estate rental business	Manufacture of special-purpose machinery
Acquisition date	2025.01.10	2025.06.30	2025.09.30	2025.04.01
Percentage of ownership acquired with voting rights (%)	83.33	99.90	50.00	23.00 (*1)
Description of the main reasons for the business combination	Business expansion including solar module manufacturing and others	Business expansion including solar module manufacturing and others	Business expansion	Technology acquisition and business expansion
Description of the acquirer's method to obtain control over the acquiree	Equity acquisition	Equity acquisition	Equity acquisition	Potential increase in percentage of ownership due to acquisition of call options

(\*1) Potential voting rights arising from a call option to acquire a 23% equity stake from the largest shareholder.

**SK Inc. and its subsidiaries**  
**Notes to the consolidated financial statements**  
**December 31, 2025 and 2024**

**43. Business combination (cont'd)**

(2) The amounts recognized as of the acquisition date for major types of acquired assets and assumed liabilities during year ended December 31, 2025 are as follows (Korean won in millions):

	For year ended December 31, 2025			
	BOOM LOW FARM SOLAR LIMITED.	Chopo Energy Co., Ltd.	GREEN LAND POWER CO., LTD.	Yuilrobotics. Co., Ltd.
<b>Assets:</b>				
Cash and cash equivalents	₩ -	₩ -	₩ -	₩ 2,939
Trade and other receivables	-	-	-	10,629
Inventories	-	-	-	7,043
Investment properties	-	-	-	7,222
Property, plant and equipment	-	-	-	71,833
Right-of-use assets	-	-	-	823
Intangible assets	-	-	-	2,941
Other assets	2,440	1,059	18,912	24,951
	₩ 2,440	₩ 1,059	₩ 18,912	₩ 128,381
<b>Liabilities:</b>				
Trade and other payables	₩ 114	₩ -	₩ 2	₩ 3,350
Bonds and borrowings	2,507	90	370	6,295
Lease liabilities	-	-	-	839
Defined benefit liabilities	-	-	-	478
Deferred tax liabilities	-	-	-	2,391
Other liabilities	-	-	-	9,473
	₩ 2,621	₩ 90	₩ 372	₩ 22,826
Fair value of identifiable net assets	₩ (181)	₩ 969	₩ 18,540	₩ 105,555

(3) The goodwill (gain on bargain purchase) arising from the business combination during year ended December 31, 2025 is as follows (Korean won in millions):

	For year ended December 31, 2025			
	BOOM LOW FARM SOLAR LIMITED.	Chopo Energy Co., Ltd.	GREEN LAND POWER CO., LTD.	Yuilrobotics. Co., Ltd.
a. Total consideration transferred (*1)	₩ 8,830	₩ 995	₩ 7,911	₩ 95,208
<b>b. Fair value of net assets acquired</b>				
Fair value of identifiable net assets	(181)	969	18,540	105,555
Non-controlling interest (*2)	30	(1)	(9,270)	(91,371)
	₩ (151)	₩ 968	₩ 9,270	₩ 14,184
<b>c. Goodwill (gain on bargain purchase) (c=a-b)</b>				
	₩ 8,981	₩ 27	₩ (1,359)	₩ 81,024

(\*1) The fair value of investments in associates and joint ventures held before the business combination is included.

(\*2) The non-controlling interest arising from the business combination was measured at the proportionate share of the recognized amounts of identifiable net assets at the acquisition date.

**44. Events after the reporting period**

**(1) Sale of Shares in SK Biopharmaceuticals Co., Ltd. and Execution of a Price Return Swap Agreement**

In accordance with a resolution of the Board of Directors dated February 26, 2026, the Company decided to sell a portion (13.94%) of its ordinary shares in SK Biopharmaceuticals Co., Ltd. to financial investors and to enter into a price return swap (“PRS”) agreement in such investors with respect to the shares sold. The principal terms of the PRS agreement are as follows:

	Description
Contracting parties	[Revenue receiver] SK Inc. [Revenue payers] Korea Investment & Securities Co., Ltd., S-Sky First Co., Ltd., Great WSJ 2nd Co., Ltd., New Bless First Co., Ltd., and J-On Nine Co., Ltd. (five entities in total)
Underlying asset	10,917,028 existing ordinary shares of SK Biopharmaceuticals Co., Ltd. held by the Company
Contract amount	KRW 1,250,000 million
Contract term (execution date)	3 years (February 26, 2026)

**(2) Participation in Capital Increase of SKC Co., Ltd.**

In accordance with a resolution of the Board of Directors dated February 26, 2026, the Company decided to participate in the paid-in capital increase of SKC Co., Ltd. scheduled for May 22, 2026 and to additionally acquire 6,326,839 common shares for KRW 539,679 million.

**(3) Loans to Yposkesi, SAS and Center for Breakthrough Medicines Holdings, LLC**

In accordance with a resolution of the Board of Directors dated February 26, 2026, the Company decided to enter into loan agreements in March 2026 with Yposkesi, SAS and Center for Breakthrough Medicines Holdings, LLC to provide loans of USD 34 million and USD 66 million, respectively.

**(4) Capital Contribution Commitment to SK hynix NAND Product Solutions Corp. by SK Inc. and SK Innovation Co., Ltd.**

In accordance with resolutions of the Boards of Directors in February 2026, the Company and SK Innovation Co., Ltd. decided to enter into a capital commitment agreement to invest USD 630 million in SK hynix NAND Product Solutions Corp., a U.S. subsidiary of SK hynix Inc., and acquire ordinary shares through capital calls over a four-year period beginning March 1, 2026.

**(5) Disposal of Shares in SK Life Science Labs, Inc.**

In accordance with a resolution of the Board of Directors dated March 6, 2026, the Company decided to dispose of all ordinary shares of its subsidiary SK Life Science Labs, Inc. to SK Biopharmaceuticals Co., Ltd., a subsidiary of the Company.

#### **44. Events after the reporting period (cont'd)**

##### **(6) Retirement of Treasury Shares**

In accordance with a resolution of the Board of Directors dated March 10, 2026, the Company decided to retire 14,694,388 treasury shares out of a total of 17,982,486 treasury shares held, representing all treasury shares held except for 3,288,098 shares reserved for employee compensation, by January 2027 in order to enhance shareholder value.

##### **(7) Resolution for investment in SK Plug Hyverse Co., Ltd. by SK Innovation Co., Ltd.**

In accordance with a resolution of the Board of Directors dated January 7, 2026, SK Innovation Co., Ltd., a subsidiary of the Company, decided to make a capital contribution of KRW 22.3 billion to SK Plug Hyverse Co., Ltd., a joint venture of SK Innovation Co., Ltd. The funds raised are expected to be used for business investments and operating expenses.

##### **(8) Resolution for providing a joint guarantee by SK On Co., Ltd.**

In accordance with a resolution of the Board of Directors dated January 13, 2026, SK On Co., Ltd., a subsidiary of the Company, decided to provide a joint guarantee for the principal and interest obligations related to the Global Green Bond issued by SK Battery America, Inc., a U.S. subsidiary, for which KB Kookmin Bank also provides a guarantee. The issuance amount of the Global Green Bond is USD 1 billion, and the guaranteed amount is 120% of the issuance amount.

##### **(9) Delivery of Treasury Shares upon Exercise of Exchange Rights of Exchangeable Bonds by SK Innovation Co., Ltd.**

Following the exercise of exchange rights on three occasions on February 20, 23, and 24, 2026, SK Innovation Co., Ltd., a subsidiary of the Company, delivered treasury shares of 68,900, 137,800, and 275,600 shares, respectively, in relation to previously issued privately placed unsecured coupon-bearing bearer exchangeable bonds

##### **(10) Execution of Memorandum of Understanding for Transfer of Renewable Energy Business by SK Innovation Co., Ltd.**

In accordance with a resolution of the Board of Directors dated February 12, 2026, SK Innovation Co., Ltd., a subsidiary of the Company, decided to enter into a memorandum of understanding with financial investors regarding the transfer of its renewable energy business, in order to improve its financial structure and expand its renewable energy business.

##### **(11) Issuance of Corporate Bonds by SK Geo Centric Co., Ltd.**

In accordance with a resolution of the Board of Directors dated December 29, 2025, SK Geo Centric Co., Ltd., a subsidiary of the Company, decided to issue corporate bonds(Series 24-1 and 24-2) totaling KRW 140 billion, with the final issuance terms determined on March 3, 2026, and the bonds were issued on March 4, 2026, and the proceeds are expected to be used for debt repayment.

#### **44. Events after the reporting period (cont'd)**

##### **(12) Completion of Disposal of Ningbo SK Performance Rubber Co., Ltd.**

The Group completed the disposal of its shares in Ningbo SK Performance Rubber Co., Ltd., a subsidiary, classified as held for sale as of December 31, 2025, on January 5, 2026.

##### **(13) Establishment of Joint Venture and Capital Contribution by SK On Co., Ltd.**

In accordance with a joint venture agreement entered into on October 15, 2025 with Gabriel India Limited, SK On Co., Ltd., a subsidiary of the Company, completed a capital contribution of INR 153 million (ownership interest: 51%) to SK Enmove Gabriel India Private Limited on February 27, 2026, for the purpose of expanding its lubricant business and strengthening its competitiveness in India. In addition, a business transfer agreement was entered into on February 19, 2026 to transfer the lubricant business of SK Enmove India Pvt. Ltd. to SK Enmove Gabriel India Private Limited, and the transfer is expected to be completed within the first half of 2026.

##### **(14) Disposal of shares in Oilhub Korea Yeosu Co., Ltd. by SK Incheon Petrochem Co., Ltd.**

In accordance with a resolution of the Board of Directors dated January 30, 2026, SK Incheon Petrochem Co., Ltd., a subsidiary of the Company, decided to dispose of its shares in Oilhub Korea Yeosu Co., Ltd., an associate, and entered into share purchase agreements with SL Corporation (1%) and IDEMITSU KOSAN CO., LTD (10%) for KRW 2.6 billion and KRW 33.8 billion, respectively. The Company received the consideration and completed the transfer of shares on February 11 and 13, 2026, respectively.

##### **(15) Issuance of Corporate Bonds by SK Incheon Petrochem Co., Ltd.**

In accordance with a resolution of the Board of Directors dated January 29, 2026, SK Incheon Petrochem Co., Ltd., a subsidiary of the Company, decided to issue the 28th series of corporate bonds totaling KRW 156 billion and issued on February 25, 2026.

##### **(16) Non-submission of Preliminary Listing Examination Application Related to Convertible Preferred Shares of SK ecoplant Co., Ltd.**

In accordance with the terms of the subscription agreement related to the convertible preferred shares issued on July 22, 2022, SK ecoplant Co., Ltd., a subsidiary of the Company, did not submit a preliminary listing examination application to the Korea Exchange by January 21, 2026 due to external circumstances, and the agreement includes a provision under which such failure may be deemed to constitute intentional misconduct or gross negligence if the application is not submitted by six months prior to the IPO deadline. The Company believes that such failure does not constitute intentional misconduct or gross negligence under the agreement, as it was due to unavoidable circumstances rather than the fault of SK ecoplant Co., Ltd. (see Note 38 'Contingencies and Commitments').

##### **(17) Acquisition of Redeemable Convertible Preferred Shares of SK ecoengineering Co., Ltd. by SK ecoplant Co., Ltd.**

In accordance with a resolution of the Board of Directors dated February 13, 2026, SK ecoplant Co., Ltd., a subsidiary of the Company, acquired 5,650,000 redeemable convertible preferred shares issued by SK ecoengineering Co., Ltd. from Eco Energy Holdings LCC for KRW 362.1 billion, resulting in an increase in its ownership interest from 57.2% to 100%.

**44. Events after the reporting period (cont'd)**

**(18) Issuance of Corporate Bonds by SK ecoplant Co., Ltd.**

In accordance with a resolution of the Board of Directors dated February 24, 2026, SK ecoplant Co., Ltd., a subsidiary of the Company, issued corporate bonds (Series 185-1, 185-2 and 185-3) totaling KRW 300 billion, comprising KRW 33 billion, KRW 114 billion and KRW 153 billion, respectively, as privately placed unsecured coupon-bearing bearer bonds.

**(19) Final Judgment and Payment Related to Litigation of ISC Co., Ltd.**

In accordance with the final judgment rendered on February 12, 2026 in relation to litigation concerning the ATK business transfer consideration, ISC Co., Ltd., a subsidiary of the Company, paid KRW 1.834 billion to the plaintiff on February 25, 2026, comprising principal of KRW 1.809 billion and delay interest of KRW 0.025 billion.

**(20) Issuance of Corporate Bonds by SKC Co., Ltd.**

In accordance with a resolution of the Board of Directors dated February 3, 2026, SKC Co., Ltd., a subsidiary of the Company, issued unsecured corporate bonds, amounting to KRW 79 billion and KRW 60 billion, respectively, totaling KRW 139 billion.

**(21) Disposal of Shares in Incross Co., Ltd. by SK Square Co., Ltd.**

In accordance with a share purchase agreement dated October 30, 2025, SK Square Co., Ltd., a subsidiary of the Company, completed the disposal of 4,631,251 shares (representing a 36.1% ownership interest) in Incross Co., Ltd. to SK Networks Co., Ltd., a subsidiary of the Company, on January 2, 2026.

**(22) Acquisition of Shares in Upstage Co., Ltd. by SK Networks Co., Ltd. through Exercise of Call Option**

In accordance with the exercise of a call option under an investment agreement with Upstage Co., Ltd., SK Networks Co., Ltd., a subsidiary of the Company, acquired an additional 163,445 common and preferred shares of Upstage Co., Ltd. on February 27, 2026, to enhance its AI-related investments and business synergies.

### **Notice to Readers**

This report is annexed in relation to the audit of the consolidated financial statements as of December 31, 2025 and the audit of internal accounting control system for consolidation purposes pursuant to Article 8-7 of the Act on External Audit for Joint-stock Companies of the Republic of Korea.

## **Independent Auditor's Report on Internal Control over Financial Reporting for Consolidation Purposes**

### **Based on a report originally issued in Korean**

**To the Shareholders and Board of Directors of  
SK Inc.**

#### **Opinion on Internal Control over Financial Reporting for Consolidation Purposes**

We have audited SK Inc. and its subsidiaries' ("the Group") internal control over financial reporting ("ICFR") for consolidation purposes as of December 31, 2025 based on the criteria established in the Conceptual Framework for Designing and Operating ICFR ("ICFR Design and Operation Framework") issued by the Operating Committee of Internal Control over Financial Reporting in the Republic of Korea (the "ICFR Committee").

In our opinion, the Group maintained, in all material respects, effective internal control over financial reporting for consolidation purposes as of December 31, 2025, based on ICFR Design and Operation Framework.

We also have audited, in accordance with Korean Standards on Auditing (KSAs), the consolidated financial statements of the Group, which comprise the consolidated statement of financial position as of December 31, 2025, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, including material accounting policies, and our report dated March 11, 2026 expressed an unmodified opinion on those consolidated financial statements.

#### **Basis for Opinion on Internal Control over Financial Reporting for Consolidation Purposes**

We conducted our audit in accordance with KSAs. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the internal control over financial reporting in Republic of Korea, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Management and Those Charged with Governance for the Internal Control over Financial Reporting for Consolidation Purposes**

The Group's management is responsible for designing, operating and maintaining effective internal control over financial reporting for consolidation purposes and for its assessment of the effectiveness of internal control over financial reporting for consolidation purposes, included in the accompanying Management's Report on the Effectiveness of Internal Control over Financial Reporting for Consolidation Purposes.

Those charged with governance are responsible for overseeing the Group's internal control over financial reporting for consolidation purposes.



### **Auditors' Responsibilities for the Audit of the Internal Control over Financial Reporting for Consolidation Purposes**

Our responsibility is to express an opinion on the Group's internal control over financial reporting for consolidation purposes based on our audit. We conducted our audit in accordance with KSAs. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting for consolidation purposes was maintained in all material respects.

An audit of internal control over financial reporting for consolidation purposes includes performing procedures to obtain audit evidence about whether a material weakness exists. The procedures selected depend on the auditor's judgment, including the assessment of the risk that a material weakness exists. The audit involves obtaining an understanding of internal control over financial reporting for consolidation purposes, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risks.

### **Definition and Limitations of Internal Control over Financial Reporting for Consolidation Purposes**

The Group's internal control over financial reporting for consolidation purposes is implemented by those charged with governance, management, and other employees, and is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with Korean International Financial Reporting Standards ("K-IFRS"). The Group's internal control over financial reporting for consolidation purposes includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with K-IFRS, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting for consolidation purposes may not prevent or detect material misstatements in the consolidated financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

*KPMG Samjony Accounting Corp.*

Seoul, Korea  
March 11, 2026

This report is effective as of March 11, 2026, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the internal control over financial reporting for consolidation purposes. Accordingly, the readers of the audit report should understand that the above audit report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

## Report on the Operations of Consolidated Internal Accounting Control System

To the Shareholders, Board of Directors, and Audit Committee of SK Inc.

We, as the Chief Executive Officer and the Internal Accounting Manager of SK Inc. ("the Company"), assessed operating status of the Company's Internal Control over Financial Reporting ("ICFR") for Consolidation Purposes for the year ending December 31, 2025.

Design and operation of ICFR for Consolidation Purposes is the responsibility of the Company's management, including the Chief Executive Officer and the Internal Accounting Manager. We evaluated whether the Company effectively designed and operated its ICFR for Consolidation Purposes to prevent and detect errors or frauds which may cause a misstatement in Consolidated financial statements to ensure preparation and disclosure of reliable financial information.

We used the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting' established by the Operating Committee of Internal Control over Financial Reporting in Korea ("the ICFR Committee") as the criteria for design and operation of the Company's ICFR for Consolidation Purposes. And we conducted an evaluation of ICFR for Consolidation Purposes based on the Annex 6 'Standards for Evaluating and Reporting on Internal Control over Financial Reporting' for the Detailed Enforcement Rule of the Regulation on External Audit and Accounting.

Based on our assessment, we concluded that the Company's ICFR for Consolidation Purposes is designed and operated effectively as of December 31, 2025, in all material respects, in accordance with the 'Conceptual Framework for Designing and Operating Internal Control over Financial Reporting'.

We certify that this report does not contain any untrue statement of a fact, or omit to state a fact necessary to be presented herein. We also certify that this report does not contain or present any statements which might cause material misunderstandings of the readers, and we have reviewed and verified this report with sufficient care.

(Appendix)

Internal control activities performed by the Company to address treasury-related fraud risks including embezzlement

February 25, 2026

Yong-Ho Jang

Chief Executive Officer



Wanyoung Kim

Internal Accounting Manager



(Appendix)

Internal control activities performed by the Company to address treasury-related fraud risks including embezzlement

Category	Control activities performed by the Company	Applicable entity Company	Results of the design and operating effectiveness review (including responsible department and timing)
Entity Level Controls	<p><b>&lt;Operation of the Whistleblower Program and Appropriate Follow-Up Actions&gt;</b>            The Company independently operates an internal and external whistleblower program for reporting ethics violations. Upon receiving a report, the Company immediately takes appropriate action, analyzes the nature of the violation, and establishes preventive measures to avoid recurrence. The results are reported to management and the Board of Directors (including the Audit Committee) and are reflected in the Company's ethics and compliance program.</p>	SK Inc. and 92 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>            (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Assessment of Fraud Risks Related to the Internal Control over Financial Reporting (ICFR)&gt;</b>            The Company incorporates fraud-risk considerations into the annual determination of the ICFR scope. The assessment of fraud risks is performed by evaluating risk factors related to fraudulent financial reporting as well as those associated with misappropriation of assets. The procedures and results reflecting how fraud risks were considered in determining the ICFR scope are included in the ICFR operating-status review plan, which is reported to the Internal Accounting Manager and the Audit Committee, among others.</p>	SK Inc. and 92 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>            (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Monitoring of Compliance with Segregation of Duties and Access Restriction Standards&gt;</b>            The Company has established and maintains segregation-of-duties standards. The authority-management officer conducts semiannual reviews to identify any violations of these standards and evaluates the results of such reviews.</p>	SK Inc. and 92 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>            (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Classification of ICFR Deficiencies and Development of Remediation Plans&gt;</b>            The Company, following its annual evaluation of the ICFR, reviews identified exceptions and classifies the related control deficiencies. In</p>	SK Inc. and 92 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>            (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>

	collaboration with the relevant departments, the Company prepares a detailed list of ICFR deficiencies and establishes remediation plans to address them.		
Treasury Controls	<p><b>&lt;Segregation of Duties in the Treasury Process&gt;</b>  The responsibility for initiating or modifying cash transfers is segregated from the authority to approve such transfers.</p>	SK Inc. and 88 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Reconciliation of Cash and Cash-Equivalent Balances&gt;</b>  The head of the treasury management department periodically reviews reconciliations between the sub-ledger of cash and cash equivalents and the bank transaction reports. When differences are identified, the head reviews the reason of differences provided and approves the reconciliation.</p>	SK Inc. and 86 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Restrictions on Cash-Disbursement Authority&gt;</b>  Authority to create or modify account information, initiate or modify cash transfers, and execute cash transfers is restricted to appropriately authorized personnel within the treasury management department.</p>	SK Inc. and 87 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Identification of Dormant Accounts and Closure of Unused Accounts&gt;</b>  The treasury management department periodically reviews all accounts held in the Company's name to identify dormant or unrecorded accounts and, when necessary, proceeds with the closure of unused accounts.</p>	SK Inc. and 79 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Review of Cash Disbursements&gt;</b>  The head of the treasury management department reviews the cash-transfer details recorded in the firm banking system and/or internet banking and verifies that they match the key information in the supporting documents before granting approval.</p>	SK Inc. and 88 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Reconciliation of Corporate Card Authorization and Billing Statements&gt;</b>  The corporate card administrator compares the monthly card authorization records with the billing statements to identify if there are any differences, and makes the necessary adjustments when differences are detected.</p>	SK Inc. and 72 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b>  (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>

	<p><b>&lt;Approval of Account Registration and Closure&gt;</b> The head of the treasury management department reviews the rationale for opening or closing a bank account and grants approval accordingly.</p>	SK Inc. and 88 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b> (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Review and Approval of the Bank Account Listing&gt;</b> The head of the treasury management department periodically reviews and approves the reconciliation status between bank balance certificates obtained from each bank and the Company's ledger-based bank account listing.</p>	SK Inc. and 88 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b> (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Control Over the Use of Treasury-related Physical Assets&gt;</b> Physical access to treasury-related assets is restricted. When corporate seals are used, a seal-use request form is prepared, and approval is obtained from an appropriately authorized approver within the department responsible for seal-use management.</p>	SK Inc. and 81 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b> (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
	<p><b>&lt;Review of Financing Activities&gt;</b> The head of the treasury management department reviews and approves the key terms of loan agreements and bond issuance proposals, and submits the matter to the Board of Directors when Board approval is required.</p>	SK Inc. and 54 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b> (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>
Other Process-Level Controls	<p><b>&lt;Approval of the Creation and Modification of Key Supplier-Master Information&gt;</b> An appropriately authorized approver within the department responsible for supplier master data, such as the head of the treasury management department, reviews supporting documentation and verifies its consistency with key supplier-master information (such as the business registration number and payment account details) before granting approval for the creation or modification of such information.</p>	SK Inc. and 74 other affiliates	<p><b>No material weaknesses were identified based on the test results.</b> (Financial Management Teams of SK Inc. and 92 other affiliates; July 2025, September 2025, December 2025, February 2026)</p>