



SK Inc.

Condensed Separate Interim Financial Statements
September 30, 2024 and 2023
(with Independent Auditors' Review Report Thereon)

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Independent Auditors' Review Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors of
SK Inc.

Reviewed Financial Statements

We have reviewed the accompanying condensed separate interim financial statements of SK Inc. (the "Company"), expressed in Korean won, which comprise the condensed separate interim statement of financial position as of September 30, 2024, the related condensed separate interim statements of comprehensive income for the three-month and nine-month periods ended September 30, 2024 and 2023, changes in equity and cash flows for the nine-month periods ended September 30, 2024 and 2023, and notes comprising a summary of material accounting policy information and other explanatory information.

Management's Responsibility for the Interim Financial Statements

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

Auditors' review responsibility

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

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

Conclusion

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

Other matters

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



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

The accompanying condensed separate interim financial statements as of September 30, 2024, for the nine-month periods ended September 30, 2024 and 2023, and the separate statement of financial position as of December 31, 2023 have been translated into United States dollars solely for the convenience of the reader and such translation does not comply with K-IFRS. We have reviewed the translation and nothing came to our attention that cause us to believe that the condensed separate interim financial statements expressed in Korean won have not been translated into dollars on the basis set forth in note 2.1 to the condensed separate interim financial statements.

KPMG Samjory Accounting Corp.

Seoul, Korea
November 14, 2024

This report is effective as of November 14, 2024, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this review report, could have a material impact on the accompanying condensed separate interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

SK Inc.
Condensed separate interim statements of financial position
as of September 30, 2024 and December 31, 2023

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

	Notes	Korean won		Translation into U.S. dollar (Note 2)	
		September 30,2024	December 31, 2023	September 30,2024	December 31, 2023
Assets					
Current assets:					
Cash and cash equivalents	4	₩ 201,650	₩ 368,906	\$ 152,811	\$ 279,559
Short-term financial instruments	4,34	169,808	124,820	128,681	94,589
Trade receivables, net	4,5,24,30,34	709,304	645,441	537,514	489,119
Other receivables, net	4,5,30,34	11,459	3,792	8,684	2,874
Inventories, net	6	161	153	122	116
Other current assets	4,5,17,18,30,32,34	793,279	230,133	601,151	174,396
Assets held for sales	31	356,618	265,161	270,247	200,940
Total current assets		<u>2,242,279</u>	<u>1,638,406</u>	<u>1,699,210</u>	<u>1,241,593</u>
Non-current assets:					
Long-term other receivables, net	4,5,34	441	441	334	334
Long-term investment securities	4,7,34	681,108	842,810	516,147	638,686
Investments in subsidiaries	8	21,898,965	21,830,746	16,595,154	16,543,457
Investments in associates	9	312,824	288,280	237,060	218,460
Property, plant and equipment, net	10	575,806	589,096	436,349	446,420
Right-of-use asset, net	11	87,925	112,042	66,630	84,906
Investment properties, net	12	63,366	66,259	48,019	50,211
Intangible assets, net	13	2,118,575	2,151,930	1,605,468	1,630,744
Defined benefit assets	16	-	44,356	-	33,613
Other non-current assets	4,5,17,18,32,34	555,790	1,074,550	421,181	814,299
Total non-current assets		<u>26,294,800</u>	<u>27,000,510</u>	<u>19,926,342</u>	<u>20,461,130</u>
Total assets		<u>₩ 28,537,079</u>	<u>₩ 28,638,916</u>	<u>\$ 21,625,552</u>	<u>\$ 21,702,723</u>
Liabilities and equity					
Liabilities					
Current liabilities:					
Short-term borrowings	4,14,30,34	₩ 2,746,200	₩ 3,306,200	\$ 2,081,085	\$ 2,505,456
Trade payables	4,30,34	139,513	125,799	105,724	95,331
Other payables	4,30,32,34	57,769	88,659	43,778	67,186
Accrued expenses	4,34	163,298	197,240	123,748	149,470
Provisions	15	9,824	5,701	7,445	4,320
Current portion of long-term debt	4,14,32,34	1,824,106	1,494,144	1,382,317	1,132,270
Other current liabilities	4,17,18,24,30,34	311,748	308,241	236,244	233,587
Total current liabilities		<u>5,252,458</u>	<u>5,525,984</u>	<u>3,980,341</u>	<u>4,187,620</u>
Non-current liabilities:					
Bonds and long-term borrowings	4,14,32,34	6,265,208	6,290,320	4,747,808	4,766,838
Defined benefit liabilities	16	29,902	-	22,660	-
Deferred tax liabilities	28	296,398	305,129	224,612	231,228
Provisions	15	24,806	24,904	18,798	18,872
Other non-current liabilities	4,17,18,30,34	547,705	574,533	415,053	435,384
Total non-current liabilities		<u>7,164,019</u>	<u>7,194,886</u>	<u>5,428,931</u>	<u>5,452,322</u>
Total liabilities		<u>12,416,477</u>	<u>12,720,870</u>	<u>9,409,272</u>	<u>9,639,942</u>
Equity					
Share capital	1,19	16,143	16,143	12,233	12,233
Other paid-in capital	20,23	3,220,214	3,207,073	2,440,296	2,430,337
Retained earnings	21	12,650,837	12,460,837	9,586,873	9,442,890
Other components of equity	22	233,408	233,993	176,878	177,321
Total equity		<u>16,120,602</u>	<u>15,918,046</u>	<u>12,216,280</u>	<u>12,062,781</u>
Total liabilities and equity		<u>₩ 28,537,079</u>	<u>₩ 28,638,916</u>	<u>\$ 21,625,552</u>	<u>\$ 21,702,723</u>

See accompanying notes to the condensed separate interim financial statements.

SK Inc.
Condensed separate interim statements of comprehensive income
for the three-month and nine-month periods ended September 30, 2024 and 2023
(Korean won in millions, except earnings (losses) per share)

	Notes	Korean won			
		September 30, 2024		September 30, 2023	
		Three-month	Nine-month	Three-month	Nine-month
Operating revenue	24,30	₩ 736,496	₩ 2,769,704	₩ 765,710	₩ 3,197,574
Operating expenses	25,30	<u>612,439</u>	<u>1,908,728</u>	<u>573,320</u>	<u>1,775,016</u>
Operating profit		124,057	860,976	192,390	1,422,558
Finance income	26	36,181	131,210	101,248	178,804
Finance costs	26	146,155	460,617	220,820	542,934
Other non-operating income	27	15,831	61,268	3,953	21,751
Other non-operating expenses	27	<u>25,384</u>	<u>64,232</u>	<u>41,109</u>	<u>288,479</u>
Profit before income tax expense		4,530	528,605	35,662	791,700
Income tax benefit	28	<u>(19,566)</u>	<u>(18,920)</u>	<u>(2,066)</u>	<u>(27,224)</u>
Profit for the period		<u>₩ 24,096</u>	<u>₩ 547,525</u>	<u>₩ 37,728</u>	<u>₩ 818,924</u>
Other comprehensive income (loss):					
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Remeasurements of the net defined benefit plans	16	(191)	(6,717)	10,674	(7,088)
Gain (loss) on valuation of financial assets measured at FVOCI		825	(585)	(4,333)	24,996
		<u>634</u>	<u>(7,302)</u>	<u>6,341</u>	<u>17,908</u>
Total comprehensive income for the period		<u>₩ 24,730</u>	<u>₩ 540,223</u>	<u>₩ 44,069</u>	<u>₩ 836,832</u>
Earnings per share (Korean won):	29				
Basic earnings per ordinary share		₩ 437	₩ 9,932	₩ 665	₩ 14,524
Basic earnings per preference share		487	9,982	715	14,574
Diluted earnings per ordinary share		424	9,894	652	14,397
Diluted earnings per preference share		487	9,982	715	14,574

(Continued)

SK Inc.
Condensed separate interim statements of comprehensive income
for the three-month and nine-month periods ended September 30, 2024 and 2023 (cont'd)

(U.S. dollar in thousands, except earnings (losses) per share)

	Notes	Translation into U.S. dollar (Note 2)			
		September 30, 2024		September 30, 2023	
		Three-month	Nine-month	Three-month	Nine-month
Operating revenue	24,30	\$ 558,121	\$ 2,098,897	\$ 580,259	\$ 2,423,139
Operating expenses	25,30	464,110	1,446,444	434,465	1,345,117
Operating profit		94,011	652,453	145,794	1,078,022
Finance income	26	27,418	99,432	76,726	135,499
Finance costs	26	110,757	349,058	167,339	411,438
Other non-operating income	27	11,997	46,429	2,996	16,483
Other non-operating expenses	27	19,236	48,675	31,154	218,610
Profit before income tax expense		3,433	400,581	27,023	599,956
Income tax benefit	28	(14,827)	(14,338)	(1,566)	(20,630)
Profit for the period		\$ 18,260	\$ 414,919	\$ 28,589	\$ 620,586
Other comprehensive income (loss):					
Items that will not be reclassified subsequently to profit or loss (net of tax):					
Remeasurements of the net defined benefit plans	16	(145)	(5,090)	8,089	(5,371)
Gain (loss) on valuation of financial assets measured at FVOCI		625	(443)	(3,284)	18,942
		480	(5,533)	4,805	13,571
Total comprehensive income for the period		\$ 18,740	\$ 409,386	\$ 33,394	\$ 634,157
Earnings per share (U.S. dollar):	29				
Basic earnings per ordinary share		\$ 0.61	\$ 7.18	\$ 0.61	\$ 10.53
Basic earnings per preference share		0.65	7.22	0.65	10.57
Diluted earnings per ordinary share		0.61	7.17	0.55	10.44
Diluted earnings per preference share		0.65	7.22	0.65	10.57

See accompanying notes to the condensed separate interim financial statements.

SK Inc.
Condensed separate interim statements of changes in equity
for the nine-month periods ended September 30, 2024 and 2023

(Korean won in millions)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Total equity
As of January 1, 2023	₩ 16,143	₩ 3,151,633	₩ 12,514,748	₩ 205,275	₩ 15,887,799
Total comprehensive income for the period:					
Profit for the period	-	-	818,924	-	818,924
Remeasurements of the net defined benefit plans	-	-	(7,088)	-	(7,088)
Gain on valuation of financial assets measured at FVOCI	-	-	-	24,996	24,996
Transactions with owners:					
Dividends	-	-	(278,764)	-	(278,764)
Disposal of treasury stock	-	4,554	-	-	4,554
Retirement of treasury stock	-	100,681	(100,681)	-	-
As of September 30, 2023	₩ 16,143	₩ 3,256,868	₩ 12,947,139	₩ 230,271	₩ 16,450,421
As of January 1, 2024	₩ 16,143	₩ 3,207,073	₩ 12,460,837	₩ 233,993	₩ 15,918,046
Total comprehensive income for the period:					
Profit for the period	-	-	547,525	-	547,525
Remeasurements of the net defined benefit plans	-	-	(6,717)	-	(6,717)
Loss on valuation of financial assets measured at FVOCI	-	-	-	(585)	(585)
Transactions with owners:					
Dividends	-	-	(275,446)	-	(275,446)
Granting of stock options	-	1,087	-	-	1,087
Acquisition and disposal of treasury stock	-	(62,946)	-	-	(62,946)
Retirement of treasury stock	-	75,362	(75,362)	-	-
Transfer of operations under common control	-	(362)	-	-	(362)
As of September 30, 2024	₩ 16,143	₩ 3,220,214	₩ 12,650,837	₩ 233,408	₩ 16,120,602

(Continued)

SK Inc.
Condensed separate interim statements of changes in equity
for the nine-month periods ended September 30, 2024 and 2023 (cont'd)

(U.S. dollar in thousands)

	Share capital	Other paid-in capital	Retained earnings	Other components of equity	Total equity
As of January 1, 2023	\$ 12,233	\$ 2,388,324	\$ 9,483,744	\$ 155,559	\$ 12,039,860
Total comprehensive income for the period:					
Profit for the period	-	-	620,586	-	620,586
Remeasurements of the net defined benefit plans	-	-	(5,371)	-	(5,371)
Gain on valuation of financial assets measured at FVOCI	-	-	-	18,942	18,942
Transactions with owners:					
Dividends	-	-	(211,249)	-	(211,249)
Disposal of treasury stock	-	3,451	-	-	3,451
Retirement of treasury stock	-	76,297	(76,297)	-	-
As of September 30, 2023	<u>\$ 12,233</u>	<u>\$ 2,468,072</u>	<u>\$ 9,811,413</u>	<u>\$ 174,501</u>	<u>\$ 12,466,219</u>
As of January 1, 2024	\$ 12,233	\$ 2,430,337	\$ 9,442,890	\$ 177,321	\$ 12,062,781
Total comprehensive income for the period:					
Profit for the period	-	-	414,919	-	414,919
Remeasurements of the net defined benefit plans	-	-	(5,090)	-	(5,090)
Loss on valuation of financial assets measured at FVOCI	-	-	-	(443)	(443)
Transactions with owners:					
Dividends	-	-	(208,736)	-	(208,736)
Granting of stock options	-	824	-	-	824
Acquisition and disposal of treasury stock	-	(47,701)	-	-	(47,701)
Retirement of treasury stock	-	57,110	(57,110)	-	-
Transfer of operations under common control	-	(274)	-	-	(274)
As of September 30, 2024	<u>\$ 12,233</u>	<u>\$ 2,440,296</u>	<u>\$ 9,586,873</u>	<u>\$ 176,878</u>	<u>\$ 12,216,280</u>

See accompanying notes to the condensed separate interim financial statements.

SK Inc.
Condensed separate interim statements of cash flows
for the nine-month periods ended September 30, 2024 and 2023
(Korean won in millions and U.S. dollar in thousands)

		For the nine-month periods ended September 30			
		Korean won		Translation into U.S. dollar (Note 2)	
Notes		2024	2023	2024	2023
Cash flows from operating activities:					
		₩	₩	\$	\$
		547,525	818,924	414,919	620,586
		(340,735)	(604,732)	(258,211)	(458,269)
	32	(57,090)	99,182	(43,263)	75,161
		14,380	10,121	10,897	7,670
		(289,380)	(245,233)	(219,294)	(185,839)
		751,786	1,234,317	569,707	935,372
		(11,815)	(9,541)	(8,953)	(7,230)
Net cash provided by operating activities		614,671	1,303,038	465,802	987,451
Cash flows from investing activities:					
		(44,988)	37,309	(34,092)	28,273
		(29,285)	(158,990)	(22,192)	(120,483)
		(4,610)	(916)	(3,493)	(694)
		(16)	(35)	(12)	(27)
		11	12	8	9
		1,836	89,747	1,391	68,011
		-	23,065	-	17,479
		74,457	14,158	56,424	10,729
		2,952	392	2,237	297
		20,129	486	15,254	368
		(4,046)	(13,652)	(3,066)	(10,346)
		(96,913)	(855,378)	(73,441)	(648,210)
		-	(10,711)	-	(8,117)
		(29,874)	(79,763)	(22,639)	(60,445)
		(17,163)	(22,364)	(13,006)	(16,948)
		(1,668)	(1,110)	(1,264)	(841)
		2,152	2,600	1,631	1,970
		(348)	-	(264)	-
Net cash used in investing activities		(127,374)	(975,150)	(96,524)	(738,975)
Cash flows from financing activities:					
		(310,000)	(458,860)	(234,920)	(347,727)
		1,205,195	1,694,481	913,303	1,284,087
		(275,446)	(278,764)	(208,734)	(211,249)
		(1,155,000)	(1,115,000)	(875,265)	(844,953)
		(54,157)	(51,487)	(41,040)	(39,017)
		(64,470)	2,263	(48,856)	1,715
		603	-	457	-
		(359)	-	(272)	-
Net cash used in financing activities		(653,634)	(207,367)	(495,327)	(157,144)
Net increase (decrease) in cash and cash equivalents		(166,337)	120,521	(126,049)	91,332
Net foreign exchange effects		(919)	(162)	(699)	(123)
Cash and cash equivalents at the beginning of the period		368,906	115,840	279,559	87,784
Cash and cash equivalents at the end of the period		₩ 201,650	₩ 236,199	\$ 152,811	\$ 178,993

See accompanying notes to the condensed separate interim financial statements.

1. Corporate information

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

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

As of September 30, 2024, the share capital of the Company amounts to ₩16,143 million (including ₩113 million of preferred shares). Major shareholders and their equity ownership are Tae-won Chey, National Pension Service and Ki-won Choi, each holding 17.90%, 7.31% and 6.65% respectively, as of September 30, 2024.

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

2.1 Basis of preparation

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

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

The accompanying condensed separate interim 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 condensed separate interim financial statements and has been made at the rate of ₩1,319.60 to USD 1.00, the basic exchange rate in the Seoul Money Brokerage Service for cable transfers in Korean won on the last business day of the nine-month period ended September 30, 2024. Such translations into U.S. dollar should not be construed as representations that the Korean won amounts could be converted into U.S. dollar at that or any other rate.

Pursuant to K-IFRS No. 1027, the condensed separate interim financial statements are accounted for, by parent, investor in an associate or a joint venture on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees.

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

2.2 Material accounting policy information

The material accounting policy information adopted in the preparation of the condensed separate interim financial statements is consistent with that followed in the preparation of the Company's annual separate financial statements for the year ended December 31, 2023, except for the adoption of new standards and interpretations effective as of January 1, 2024.

2.2.1 New and amended standards and interpretations

The Company has applied amendments to K-IFRS issued that are mandatorily effective for accounting periods beginning on or after January 1, 2024.

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

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

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

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

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

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

Amendments to K-IFRS No. 1016 *Lease*

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

2.2.2 New and revised K-IFRSs issued, but not yet effective

The new and amended K-IFRSs that are issued, but not yet effective, as of September 30, 2024 are disclosed below.

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

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

The Company is reviewing the possible effects of the above listed amendments on the separate financial statements.

3. Significant accounting judgements, estimates and assumptions

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

Those accounting judgments made by management in the preparation of the condensed separate interim financial statements for the nine-month period ended September 30, 2024 are consistent with those followed in the preparation of the separate financial statements for the year ended December 31, 2023.

4. Financial instruments**4.1 Financial assets**

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

	September 30, 2024				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 180,341	₩ -	₩ 21,309	₩ -	₩ 201,650
Short-term financial instruments	77,908	-	91,900	-	169,808
Trade receivables (*1)	-	-	384,003	-	384,003
Lease receivables	-	-	39,567	-	39,567
Short-term loans	-	-	568,264	-	568,264
Short-term other receivables	-	-	11,459	-	11,459
Accrued income	-	-	7,899	-	7,899
Guarantee deposits	-	-	17,221	-	17,221
Derivative financial assets	16,735	-	-	-	16,735
	₩ 274,984	₩ -	₩ 1,141,622	₩ -	₩ 1,416,606
Non-current assets:					
Long-term financial instruments	₩ -	₩ -	₩ 6,248	₩ -	₩ 6,248
Long-term lease receivables	-	-	213,820	-	213,820
Long-term investment securities	129,147	551,627	334	-	681,108
Long-term loans	-	-	156	-	156
Long-term other receivables	-	-	441	-	441
Long-term guarantee deposits	-	-	36,915	-	36,915
Derivative financial assets	298,524	-	-	-	298,524
	₩ 427,671	₩ 551,627	₩ 257,914	₩ -	₩ 1,237,212
	₩ 702,655	₩ 551,627	₩ 1,399,536	₩ -	₩ 2,653,818

(*1) Contract assets (unbilled receivables) amounting to ₩325,301 million as of September 30, 2024 are not included in the financial instruments.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

4. Financial instruments (cont'd)

4.1 Financial assets (cont'd)

	December 31, 2023				
	Financial assets measured at FVTPL	Financial assets measured at FVOCI	Financial assets measured at amortized cost	Financial assets designated as hedging instruments	Total
Current assets:					
Cash and cash equivalents	₩ 278,302	₩ -	₩ 90,604	₩ -	₩ 368,906
Short-term financial instruments	54,920	-	69,900	-	124,820
Trade receivables (*1)	-	-	463,882	-	463,882
Lease receivables	-	-	36,741	-	36,741
Short-term loans	-	-	25,824	-	25,824
Short-term other receivables	-	-	3,792	-	3,792
Accrued income	-	-	1,566	-	1,566
Guarantee deposits	-	-	11,910	-	11,910
Derivative financial assets	46,347	-	-	-	46,347
	<u>₩ 379,569</u>	<u>₩ -</u>	<u>₩ 704,219</u>	<u>₩ -</u>	<u>₩ 1,083,788</u>
Non-current assets:					
Long-term financial instruments	₩ -	₩ -	₩ 1,637	₩ -	₩ 1,637
Long-term lease receivables	-	-	230,891	-	230,891
Long-term investment securities	260,784	581,716	310	-	842,810
Long-term loans	-	-	501,132	-	501,132
Long-term other receivables	-	-	441	-	441
Long-term guarantee deposits	-	-	42,239	-	42,239
Derivative financial assets	298,524	-	-	-	298,524
	<u>₩ 559,308</u>	<u>₩ 581,716</u>	<u>₩ 776,650</u>	<u>₩ -</u>	<u>₩ 1,917,674</u>
	<u>₩ 938,877</u>	<u>₩ 581,716</u>	<u>₩ 1,480,869</u>	<u>₩ -</u>	<u>₩ 3,001,462</u>

(*1) Contract assets (unbilled receivables) amounting to ₩181,559 million as of December 31, 2023 are not included in the financial instruments.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

4. Financial instruments (cont'd)

4.2 Financial liabilities

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

	September 30, 2024				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 2,746,200	₩ -	₩ -	₩ 2,746,200
Current portion of long-term debt	-	1,824,106	-	-	1,824,106
Trade payables	-	139,513	-	-	139,513
Other payables (*1)	-	53,527	-	-	53,527
Accrued expenses (*1)	-	38,466	-	-	38,466
Lease liabilities	-	-	-	69,636	69,636
Dividends payable	-	183	-	-	183
Leasehold deposits received	-	244	-	-	244
Derivative financial liabilities	13,854	-	-	-	13,854
	<u>₩ 13,854</u>	<u>₩ 4,802,239</u>	<u>₩ -</u>	<u>₩ 69,636</u>	<u>₩ 4,885,729</u>
Non-current liabilities:					
Long-term borrowings	₩ -	₩ 449,753	₩ -	₩ -	₩ 449,753
Bonds	-	5,815,455	-	-	5,815,455
Long-term lease liabilities	-	-	-	257,312	257,312
Leasehold deposits received	-	25,034	-	-	25,034
Derivative financial liabilities	250,904	-	-	-	250,904
	<u>₩ 250,904</u>	<u>₩ 6,290,242</u>	<u>₩ -</u>	<u>₩ 257,312</u>	<u>₩ 6,798,458</u>
	<u>₩ 264,758</u>	<u>₩ 11,092,481</u>	<u>₩ -</u>	<u>₩ 326,948</u>	<u>₩ 11,684,187</u>

(*1) The amount of accrued liabilities under the employee benefit system was excluded as it is not subject to financial product disclosure.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

4. Financial instruments (cont'd)

4.2 Financial liabilities (cont'd)

	December 31, 2023				
	Financial liabilities measured at FVTPL	Financial liabilities measured at amortized cost	Financial liabilities designated as hedging instruments	Other financial liabilities	Total
Current liabilities:					
Short-term borrowings	₩ -	₩ 3,306,200	₩ -	₩ -	₩ 3,306,200
Current portion of long-term debt	-	1,494,144	-	-	1,494,144
Trade payables	-	125,799	-	-	125,799
Other payables (*1)	-	80,941	-	-	80,941
Accrued expenses (*1)	-	63,895	-	-	63,895
Lease liabilities	-	-	-	80,933	80,933
Dividends payable	-	178	-	-	178
Leasehold deposits received	-	544	-	-	544
Derivative financial liabilities	807	-	-	-	807
	<u>₩ 807</u>	<u>₩ 5,071,701</u>	<u>₩ -</u>	<u>₩ 80,933</u>	<u>₩ 5,153,441</u>
Non-current liabilities:					
Long-term borrowings	₩ -	₩ 499,651	₩ -	₩ -	₩ 499,651
Bonds	-	5,790,669	-	-	5,790,669
Long-term lease liabilities	-	-	-	287,077	287,077
Leasehold deposits received	-	24,388	-	-	24,388
Derivative financial liabilities	250,904	-	-	-	250,904
	<u>₩ 250,904</u>	<u>₩ 6,314,708</u>	<u>₩ -</u>	<u>₩ 287,077</u>	<u>₩ 6,852,689</u>
	<u>₩ 251,711</u>	<u>₩ 11,386,409</u>	<u>₩ -</u>	<u>₩ 368,010</u>	<u>₩ 12,006,130</u>

(*1) The amount of accrued liabilities under the employee benefit system was excluded as it is not subject to financial product disclosure.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

4. Financial instruments (cont'd)

4.3 Fair values of financial instruments by hierarchy level

1) The fair value and book value of financial instruments that are not measured at fair value as of September 30, 2024 and December 31, 2023, are as follows. (Korean won in millions):

	September 30, 2024		December 31, 2023	
	Book Value	Fair value	Book Value	Fair value
Bonds	₩ 7,339,561	₩ 7,346,542	₩ 7,284,813	₩ 6,939,522
Borrowings	3,495,953	3,486,685	3,805,851	3,784,920

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 3.24% to 3.75%. 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 Company categorized financial instruments measured at fair value based on the inputs to measure the fair value. The level of hierarchy of fair value is as follows:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: inputs, other than quoted prices included within Level 1, are observable for the asset or liability, either directly or indirectly; and

Level 3: inputs are unobservable inputs for the asset or liability

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

	September 30, 2024				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL (Excludes derivative assets)	₩ 387,396	₩ 32,244	₩ 258,249	₩ 96,903	₩ 387,396
Financial assets measured at FVOCI	551,627	8,939	-	542,688	551,627
Derivative financial assets	315,259	-	16,735	298,524	315,259
Financial liabilities:					
Derivative financial liabilities	₩ 264,758	₩ -	₩ 13,854	₩ 250,904	₩ 264,758
	December 31, 2023				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets:					
Financial assets measured at FVTPL (Excludes derivative assets)	₩ 594,006	₩ 166,728	₩ 333,222	₩ 94,056	₩ 594,006
Financial assets measured at FVOCI	581,716	9,700	-	572,016	581,716
Derivative financial assets	344,871	-	46,347	298,524	344,871
Financial liabilities:					
Derivative financial liabilities	₩ 251,711	₩ -	₩ 807	₩ 250,904	₩ 251,711

The Company recognizes the movement of financial instrument at fair value between hierarchy levels at the end of the reporting period where changes in events and situations result in movement between the hierarchy levels. During period ended December 31, 2023, the listing of GI Innovation, Inc. resulted in a transfer from Level 3 to Level 1. No significant change between hierarchy levels 1 and 2 occurred during the period ended September 30, 2024.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

5. Trade and other receivables

Details of trade receivables as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	September 30, 2024			December 31, 2023		
	Gross amount	Allowance for doubtful accounts	Carrying amount	Gross amount	Allowance for doubtful accounts	Carrying amount
Trade receivables	₩ 709,667	₩ (363)	₩ 709,304	₩ 645,804	₩ (363)	₩ 645,441
Short-term loans	568,264	-	568,264	25,824	-	25,824
Other receivables	11,459	-	11,459	3,792	-	3,792
Accrued Revenues	7,899	-	7,899	1,566	-	1,566
Guarantee deposits	17,281	(60)	17,221	11,910	-	11,910
Lease receivables	39,567	-	39,567	36,741	-	36,741
Long-term loans	156	-	156	501,132	-	501,132
Long-term other receivables	441	-	441	441	-	441
Long-term guarantee deposits	36,915	-	36,915	42,239	-	42,239
Long-term lease receivables	213,820	-	213,820	230,891	-	230,891
	<u>₩ 1,605,469</u>	<u>₩ (423)</u>	<u>₩ 1,605,046</u>	<u>₩ 1,500,340</u>	<u>₩ (363)</u>	<u>₩ 1,499,977</u>

6. Inventories

Details of inventories as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	September 30, 2024			December 31, 2023		
	Acquisition Cost	Valuation allowance	Book value	Acquisition Cost	Valuation allowance	Book value
Raw materials	₩ 161	₩ -	₩ 161	₩ 153	₩ -	₩ 153

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

7. Investment securities

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

	September 30, 2024			
	Equity instruments		Debt instruments	
	Listed (*2)	Unlisted	Listed	Unlisted
Non-current assets				
Financial assets measured at FVTPL (*1)	₩ 32,244	₩ 6,865	₩ -	₩ 90,038
Financial assets measured at FVOCI	8,939	542,688	-	-
Financial assets measured at amortized cost	-	-	-	334
	<u>₩ 41,183</u>	<u>₩ 549,553</u>	<u>₩ -</u>	<u>₩ 90,372</u>

(*1) They consist of SES AI Corporation and Glassdome, Inc. and others.

(*2) During the nine-month period ended September 30, 2024, the Company decided to sell its entire equity in Grab holdings limited and has therefore classified it as assets held for sales.

	December 31, 2023			
	Equity instruments		Debt instruments	
	Listed	Unlisted	Listed	Unlisted
Non-current assets				
Financial assets measured at FVTPL (*1)	₩ 166,728	₩ 12,430	₩ -	₩ 81,626
Financial assets measured at FVOCI	9,700	572,016	-	-
Financial assets measured at amortized cost	-	-	-	310
	<u>₩ 176,428</u>	<u>₩ 584,446</u>	<u>₩ -</u>	<u>₩ 81,936</u>

(*1) They consist of GRAB Holdings Ltd. and SES AI Corporation and others.

The Company has applied an irrevocable option to designate equity instruments held for strategic investment purposes, not for short-term trading purposes, as measures of fair value through other comprehensive income at the time of initial recognition.

SK Inc.
Notes to the condensed separate interim financial statements
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8. Investments in subsidiaries

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

	Domicile	Principal business activity	September 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)(*1)	Book value	Ownership percentage (%)(*1)	Book value	
SK Innovation Co., Ltd. (*2)	Korea	Resource development	36.22	₩ 3,466,879	34.45	₩ 3,466,879	December
SK Telecom Co., Ltd. (*2)	Korea	Mobile tele-communication	30.57	2,929,870	30.01	2,929,870	December
SK E&S Co., Ltd.	Korea	City gas business and power generation investment	90.00	2,600,000	90.00	2,600,000	December
SK Square Co., Ltd. (*2)	Korea	Trading and distribution	31.50	2,486,149	30.55	2,486,149	December
SK Networks Co., Ltd. (*2)	Korea	Manufacture of other chemical products	43.90	706,229	41.20	706,229	December
SKC Co., Ltd. (*2)	Korea	Construction	40.64	548,654	40.64	548,654	December
SK Ecoplant Co., Ltd. (*2)	Korea	Manufacturing and sales of silicon thin sheet	44.48	545,300	44.48	545,300	December
SK Siltron Co., Ltd.	Korea	Special-gas manufacturing and sales	51.00	622,606	51.00	622,606	December
SK Specialty Co., Ltd.	Korea	Real estate development and trading	100.00	600,467	100.00	600,467	December
SK REIT Co., Ltd. (*2)	Korea	Medicine and life science	32.10	436,452	32.41	436,452	March, June, September, December
SK Biopharmaceuticals Co., Ltd.	Korea	Manufacture and sale of industrial gas	64.02	369,226	64.02	369,226	December
SK Materials airplus Incorporated.	Korea	Condominiums /resort business	100.00	339,588	100.00	339,588	December
Hweechan Co., Ltd.	Korea	Manufacturing of motors generators, and electrical conversion devices	100.00	335,912	100.00	335,912	December
SK Signet Inc. (*3)	Korea	Semiconductor manufacturing	-	212,955	-	212,955	December
SK Powertech Co., Ltd.	Korea	Development of precursor products	98.59	150,919	98.59	150,919	December
SK Tri Chem Co., Ltd.	Korea	Semiconductor distribution and sales	65.00	102,505	65.00	102,505	December
SK materials G14 Co., Ltd.	Korea	Landscape construction	75.00	62,692	75.00	62,692	December
SK Forest Co., Ltd.	Korea	Semiconductor industrial photosensitive agent manufacturing and sales	100.00	61,387	100.00	61,387	December
SK Materials Performance Co., Ltd.	Korea	Semiconductor distribution and sales	100.00	57,070	100.00	57,070	December
SK Resonac Co., Ltd.	Korea	Manufacturing of other chemical products	51.00	23,150	51.00	23,150	December
Evertch Enterprise Co., Ltd.	Korea		98.20	20,579	98.20	20,579	December

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

8. Investments in subsidiaries (cont'd)

	Domicile	Principal business activity	September 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%) ^(*1)	Book value	Ownership percentage (%) ^(*1)	Book value	
SK Materials JNC Co., Ltd.	Korea	Organic light emitting diode material manufacturing, distribution and sales	51.00	20,287	51.00	20,287	December
SK REITs Management Co., Ltd.	Korea	Real estate acquisition and rental and development	100.00	7,000	100.00	7,000	December
Ackerton Partners Co., Ltd.	Korea	Consulting	100.00	6,300	100.00	6,300	December
Ackerton Technology Service Co, Ltd. (*6,8)	Korea	Computer Systems Integration Advisory	50.00	650	-	-	December
SK Pharmteco Inc.	USA	Investment	100.00	1,651,228	100.00	1,651,228	December
Plutus Capital NY, Inc.	USA	Investment	100.00	824,005	100.00	824,005	December
SK China Company, Ltd. (*4)	Hong Kong	Consulting and investment	27.42	557,117	27.42	557,117	December
SK South East Asia Investment Pte. Ltd. (*4)	Singapore	Investment	20.00	345,010	20.00	345,010	December
Golden Pearl EV Solutions Limited.	Hong Kong	Investment	100.00	281,360	100.00	281,360	December
SK Japan Inc. (Formerly, SK Japan Investment) (*4)	Japan	Investment	50.00	200,573	50.00	200,573	December
Tillandsia, Inc.	USA	Investment	100.00	190,260	100.00	190,260	December
Einstein Cayman Limited.	Cayman	Investment	100.00	182,625	100.00	182,625	December
Chamaedorea, Inc. (*5)	USA	Investment	100.00	170,433	100.00	117,377	December
Areca, Inc.	USA	Investment	100.00	155,155	100.00	155,155	December
Energy Solution Group, Inc. (*4)	USA	Energy solution and electric car charger	50.00	130,109	50.00	130,109	December
Tellus Investment Partners, Inc. (*5)	USA	Investment	100.00	103,818	100.00	96,250	December
Saturn Agriculture Investment Co., Ltd.	Hong Kong	Investment	81.00	67,093	81.00	67,093	December
Energy Solution Holdings Inc. (*4)	USA	Investment	29.09	54,752	29.09	54,752	December
I Cube Capital, Inc. (*5)	USA	Investment	100.00	52,366	100.00	52,173	December
SK Life Science Labs, Inc. (*4)	USA	Development of new drugs	40.00	41,302	40.00	41,302	December
Auxo Capital Inc. (*5)	USA	Investment	100.00	34,433	100.00	26,167	December
Digital Center Capital Inc.	USA	Investment	100.00	27,684	100.00	27,684	December
SK S.E.Asia Pte. Ltd.	Singapore	Investment	100.00	25,847	100.00	25,847	December
SK C&C Beijing Co., Ltd.	China	Computer system integration advisory	100.00	25,481	100.00	25,481	December
SK Americas, Inc. (Formerly, SK USA, Inc.) (*4,6)	USA	Management Advisory	20.00	13,013	-	-	December
Planeta Pte. Ltd. (*4,6)	Singapore	Development of carbon emission rights business	38.47	11,366	-	-	December
SK Investment Management Co., Ltd.	Hong Kong	Investment	82.24	10,099	82.24	10,099	December
SK GI Management	Cayman	Investment	100.00	9,523	100.00	9,523	December
SK MENA Investment B.V. (*4)	Netherland	Investment	11.54	5,178	11.54	5,178	December

SK Inc.
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8. Investments in subsidiaries (cont'd)

	Domicile	Principal business activity	September 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%) ^(*1)	Book value	Ownership percentage (%) ^(*1)	Book value	
SK Latin Americas Investment S.A. ^(*4)	Spain	Investment	11.54	5,135	11.54	5,135	December
MiraiTech Inc. ^(*6)	Japan	Investment consulting	100.00	2,693	-	-	December
Gemini Partners Pte. Ltd. ^(*4)	Singapore	Consulting	20.00	2,601	20.00	2,601	December
Tellus (Hong Kong) Investment	Hong Kong	Investment	100.00	1,985	100.00	1,985	December
SK C&C USA, Inc.	USA	Computer system integration advisory	100.00	1,971	100.00	1,971	December
SK Technology Innovation Company ^(*4)	Cayman	Research and development	2.12	1,876	2.12	1,876	December
Castanea Biosciences Inc.	USA	Investment	100.00	48	100.00	48	December
Halio, Inc. ^(*7)	USA	Discolored glass manufacturing	66.16	-	66.16	28,586	December
Socar Mobility Malaysia, SDN. BHD.	Malaysia	Rental of cars	93.74	-	93.74	-	December
SK C&C India Pvt. Ltd.	India	Computer system integration advisory	100.00	-	100.00	-	December
S&G Technology	Saudi Arabia	Computer system integration advisory and others	51.00	-	51.00	-	December
				₩ 21,898,965		₩ 21,830,746	

(*1) Equity ownership is based on ordinary shares.

(*2) SK Innovation Co., Ltd. and 6 other companies were classified as investments in subsidiaries as the Company is able to exercise de facto control. The remaining voting rights of SK Innovation Co., Ltd. and 6 other companies are widely dispersed, and the Company's voting rights are sufficient to give it power.

(*3) The Company has acquired convertible preferred stocks with voting rights of the entity and as a result, holds 51.37% of voting rights.

(*4) When the investment equity ratio of the Company and its subsidiaries is combined, control can be exercised, therefore the investment is classified as a subsidiary.

(*5) Additional investment was made during the nine-month period ended September 30, 2024.

(*6) Newly acquired during the nine-month period ended September 30, 2024.

(*7) During the nine-month period ended September 30, 2024, there were signs of impairment, so the impairment loss on investments in subsidiaries was recognized.

(*8) It was classified as an investment in a subsidiary as control can be exercised due to the impasse in the equity acquisition terms of an equity interest.

SK Inc.
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9. Investments in associates

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

	Domicile	Principal business activity	September 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
LTCAM Co.,Ltd.(*2)	Korea	Semiconductor process material	37.47	₩ 44,438	37.47	₩ 44,438	December
SMCore Inc.	Korea	Manufacturing and sales of automated logistics system	26.60	28,940	26.60	28,940	December
Standigm Inc. (*1,2)	Korea	Medical and pharmaceutical research and development industries	12.14	14,410	12.14	14,410	December
Cloocoo Co., Ltd. (*1,2,4)	Korea	Information and communication service	15.57	6,500	16.19	6,500	December
TBU Inc. (*2)	Korea	Electric vehicle charging	31.59	5,700	31.59	5,700	December
Soft berry Inc. (*1,2)	Korea	Logistics infra	19.01	5,684	19.01	5,684	December
A4x Inc. (*1)	Korea	Block chain validator	8.33	5,078	8.33	5,078	December
PUMP Co., Ltd. (*1,2,4)	Korea	Electric Kick Scooter Rental Business	6.79	5,000	12.02	5,000	December
Superblock Co., Ltd. (*1,2)	Korea	Block chain mainnet	3.33	3,109	3.33	3,109	December
TWO LINE CODE Inc.	Korea	Software development	23.54	2,300	23.54	2,300	December
The Wave Talk, Inc. (*1,2)	Korea	Manufacturing and technical services	3.74	2,038	3.74	2,038	December
Todo Works Corp. (*1,2)	Korea	Sales of Assistive Devices for People with Disabilities and Medical Devices	10.25	2,037	10.25	2,037	December
Team Blackbird, Inc. (*1,2)	Korea	Software development	3.22	1,998	3.22	1,998	December
ACRYL Inc. (*1,2,5)	Korea	Information service	5.83	126	16.12	312	December
Daehan Kanggun BcN Co., Ltd. (*2,3)	Korea	Wired communication	0.20	-	0.20	-	December
Wave City Co., Ltd (*1,6)	Korea	Other financial support services	-	-	0.10	-	December
THiRA-UTECH Co., Ltd. (*7)	Korea	Service manufacturing	-	-	12.79	4,200	December
Swift Navigation, Inc. (*1,2,4)	USA	GPS software development	9.51	46,496	9.53	46,496	December
Belstar Superfreeze Holdings, LLC (*2)	Cayman	Warehouse business	20.98	36,839	20.98	36,839	December
9352-7281 Quebec Inc.	Canada	Investment	40.09	31,558	40.09	31,558	December
ION Clean Energy, Inc. (*1,8)	USA	Development of carbon capture technology	9.61	28,930	-	-	December
Hummingbird Bioscience Holdings Pte. Ltd. (*1,2)	Singapore	Monoclonal Antibody Drug Development	8.97	19,026	8.97	19,026	December
VantAI Holdings, Inc. (*2)	USA	Medicine research and development	40.00	7,817	40.00	7,817	December
Visible Patient S.A.S. (*2)	France	Manufacturing related to medicine	22.14	7,507	22.14	7,507	December

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9. Investments in associates (cont'd)

	Domicile	Principal business activity	September 30, 2024		December 31, 2023		Fiscal year-end month
			Ownership percentage (%)	Book value	Ownership percentage (%)	Book value	
FSK Holdings Co., Ltd.	Hong Kong	IT service	30.00	6,245	30.00	6,245	December
DSK EV Investment Limited. (*1)	Cayman	Investment	3.32	1,048	3.32	1,048	December
Mozido Corfire, Inc. (*1,9)	USA	System consulting	19.94	-	19.94	-	December
				₩ 312,824		₩ 288,280	

- (*1) As the Company is able to exercise significant influence over the entity although its ownership interest is less than 20%, the investment in the entity was classified as investments in associates.
- (*2) It is the ownership percentage that takes preferred share with voting rights into consideration.
- (*3) We have classified the indirect ownership interests held by our subsidiaries as investments in associates.
- (*4) During the nine-month ended September 30, 2024, the shareholding changed due to an increase in the capital of an associate.
- (*5) We disposed of some during the nine-month period ended September 30, 2024.
- (*6) Liquidated during the nine-month ended September 30, 2024.
- (*7) Investments in associates are reclassified as assets held for sale during the nine-month period ended September 30, 2024.
- (*8) Investment securities are reclassified as investments in associates during the nine-month period ended September 30, 2024.
- (*9) Temporarily closed as of September 30, 2024.

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10. Property, plant and equipment

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

	September 30, 2024			December 31, 2023		
	Acquisition cost	Accumulated depreciation	Book value	Acquisition cost	Accumulated depreciation	Book value
Land	₩ 105,097	₩ -	₩ 105,097	₩ 100,209	₩ -	₩ 100,209
Buildings	326,568	(89,691)	236,877	322,189	(82,366)	239,823
Structures	11,646	(3,285)	8,361	11,646	(2,917)	8,729
Machinery	18,693	(2,036)	16,657	18,560	(1,126)	17,434
Vehicles	10,497	(5,514)	4,983	12,552	(5,713)	6,839
Furniture and fixtures	463,502	(332,879)	130,623	460,353	(318,143)	142,210
Construction-in-progress	73,208	-	73,208	73,852	-	73,852
	<u>₩ 1,009,211</u>	<u>₩ (433,405)</u>	<u>₩ 575,806</u>	<u>₩ 999,361</u>	<u>₩ (410,265)</u>	<u>₩ 589,096</u>

(2) Details of changes in property, plant and equipment for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfers(*1)	Ending balance
Land	₩ 100,209	₩ -	₩ -	₩ -	₩ 4,888	₩ 105,097
Buildings	239,823	1,908	-	(7,209)	2,355	236,877
Structures	8,729	-	-	(368)	-	8,361
Machinery	17,434	310	(821)	(966)	700	16,657
Vehicles	6,839	-	(1,251)	(605)	-	4,983
Furniture and fixtures	142,210	14,382	(1,276)	(33,039)	8,346	130,623
Construction-in-progress	73,852	15,056	-	-	(15,700)	73,208
	<u>₩ 589,096</u>	<u>₩ 31,656</u>	<u>₩ (3,348)</u>	<u>₩ (42,187)</u>	<u>₩ 589</u>	<u>₩ 575,806</u>

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

	For the nine-month period ended September 30, 2023					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfers(*1)	Ending balance
Land	₩ 100,090	₩ -	₩ -	₩ -	₩ 134	₩ 100,224
Buildings	229,377	4,565	-	(6,659)	6,343	233,626
Structures	9,220	-	-	(368)	-	8,852
Machinery	8,171	-	-	(592)	5,717	13,296
Vehicles	7,633	52	-	(639)	-	7,046
Furniture and fixtures	142,471	16,544	(177)	(31,759)	7,003	134,082
Construction-in-progress	67,502	52,434	-	-	(23,890)	96,046
	<u>₩ 564,464</u>	<u>₩ 73,595</u>	<u>₩ (177)</u>	<u>₩ (40,017)</u>	<u>₩ (4,693)</u>	<u>₩ 593,172</u>

(*1) This includes transfer from construction-in-progress to property, plant and equipment, investment property and transfer from investment property to property, plant and equipment.

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11. Right-of-use assets and lease

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

	September 30, 2024			December 31, 2023		
	Acquisition cost	Accumulated depreciation	Book value	Acquisition cost	Accumulated depreciation	Book value
Land and buildings	₩ 211,007	₩ (129,111)	₩ 81,896	₩ 235,454	₩ (128,074)	₩ 107,380
Vehicles	11,743	(5,859)	5,884	10,393	(5,828)	4,565
Others	340	(195)	145	361	(264)	97
	<u>₩ 223,090</u>	<u>₩ (135,165)</u>	<u>₩ 87,925</u>	<u>₩ 246,208</u>	<u>₩ (134,166)</u>	<u>₩ 112,042</u>

(2) Changes in right-of-use assets for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024					
	Beginning balance	Increase	Depreciation	Decrease	Others (*1)	Ending balance
Land and buildings	₩ 107,380	₩ 2,191	₩ (29,475)	₩ (3,202)	₩ 5,002	₩ 81,896
Vehicles	4,565	4,881	(2,300)	(1,462)	200	5,884
Others	97	98	(51)	(6)	7	145
	<u>₩ 112,042</u>	<u>₩ 7,170</u>	<u>₩ (31,826)</u>	<u>₩ (4,670)</u>	<u>₩ 5,209</u>	<u>₩ 87,925</u>

(*1) The amounts include increases in the right-of-use assets due to changes in conditions and adjustments of the right-of-use assets according to the remeasurement of the lease liabilities and others.

	For the nine-month period ended September 30, 2023					
	Beginning balance	Increase	Depreciation	Decrease	Others (*1)	Ending balance
Land and buildings	₩ 137,869	₩ 5,364	₩ (29,903)	₩ (854)	₩ 2,697	₩ 115,173
Vehicles	3,587	4,560	(2,446)	(1,057)	159	4,803
Others	169	-	(54)	-	-	115
	<u>₩ 141,625</u>	<u>₩ 9,924</u>	<u>₩ (32,403)</u>	<u>₩ (1,911)</u>	<u>₩ 2,856</u>	<u>₩ 120,091</u>

(*1) The amounts include deducting the right-of-use assets from the sublease and adjustments of the right-of-use assets according to the remeasurement of the lease liabilities and others.

(3) The gains and losses recognized in relation to lease for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
Short-term lease expenses	₩ 3,528	₩ 3,077
Lease of low-value assets	747	963
Expenses related to variable lease payments not included in the measurement of lease liabilities	-	-
	<u>₩ 4,275</u>	<u>₩ 4,040</u>

(4) The total cash outflows from leases for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
The total cash outflows from leases	₩ 65,422	₩ 63,483

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12. Investment properties

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

	September 30, 2024				December 31, 2023			
	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Book value	Acquisition cost	Accumulated depreciation	Accumulated impairment loss	Book value
Land	₩ 6	₩ -	₩ -	₩ 6	₩ 89	₩ -	₩ -	₩ 89
Buildings	74,233	(10,873)	-	63,360	74,485	(8,383)	-	66,102
Right-of-use assets	-	-	-	-	251	(183)	-	68
	<u>₩ 74,239</u>	<u>₩ (10,873)</u>	<u>₩ -</u>	<u>₩ 63,366</u>	<u>₩ 74,825</u>	<u>₩ (8,566)</u>	<u>₩ -</u>	<u>₩ 66,259</u>

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

	For the nine-month period ended September 30, 2024					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfers (*1)	Ending balance
Land	₩ 89	₩ -	₩ -	₩ -	₩ (83)	₩ 6
Buildings	66,102	-	-	(2,496)	(246)	63,360
Right-of-use assets	68	-	-	(68)	-	-
	<u>₩ 66,259</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ (2,564)</u>	<u>₩ (329)</u>	<u>₩ 63,366</u>

(*1) This includes transfers to property, plant, and equipment.

	For the nine-month period ended September 30, 2023					
	Beginning balance	Acquisition	Disposal	Depreciation	Transfers (*1)	Ending balance
Land	₩ 89	₩ -	₩ -	₩ -	₩ -	₩ 89
Buildings	60,296	-	-	(2,348)	4,308	62,256
	<u>₩ 60,385</u>	<u>₩ -</u>	<u>₩ -</u>	<u>₩ (2,348)</u>	<u>₩ 4,308</u>	<u>₩ 62,345</u>

(*1) This includes transfer from investment property to buildings and transfer from buildings and right-of-use asset to investment property.

13. Intangible assets

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

	September 30, 2024				December 31, 2023			
	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Book value	Acquisition cost	Accumulated amortization	Accumulated impairment loss	Book value
Development costs	₩ 305,932	₩ (178,844)	₩ (45,927)	₩ 81,161	₩ 289,924	₩ (156,696)	₩ (27,827)	₩ 105,401
Memberships	75,030	-	(13,647)	61,383	84,006	-	(13,647)	70,359
Brand-related assets	1,975,000	-	-	1,975,000	1,975,000	-	-	1,975,000
Others	32,119	(10,371)	(20,717)	1,031	32,041	(10,154)	(20,717)	1,170
	<u>₩ 2,388,081</u>	<u>₩ (189,215)</u>	<u>₩ (80,291)</u>	<u>₩ 2,118,575</u>	<u>₩ 2,380,971</u>	<u>₩ (166,850)</u>	<u>₩ (62,191)</u>	<u>₩ 2,151,930</u>

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13. Intangible assets (cont'd)

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

	For the nine-month period ended September 30, 2024						Ending Balance
	Beginning balance	Acquisition	Disposal	Amortization	Impairment	Transfers (*2)	
Development costs	₩ 105,401	₩ 15,937	₩ -	₩ (22,148)	₩ (18,100)	₩ 71	₩ 81,161
Memberships(*1)	70,359	1,226	(10,202)	-	-	-	61,383
Brand-related assets(*1)	1,975,000	-	-	-	-	-	1,975,000
Others	1,170	81	(3)	(217)	-	-	1,031
	₩ 2,151,930	₩ 17,244	₩ (10,205)	₩ (22,365)	₩ (18,100)	₩ 71	₩ 2,118,575

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

(*2) The transfers consists of transfers to property, plant, and equipment.

	For the nine-month period ended September 30, 2023						Ending Balance
	Beginning balance	Acquisition	Disposal	Amortization	Impairment	Transfers (*2)	
Development costs	₩ 126,722	₩ 18,787	₩ (486)	₩ (22,632)	₩ (17,576)	₩ -	₩ 104,815
Memberships(*1)	62,613	3,577	(485)	-	-	-	65,705
Brand-related assets(*1)	1,975,000	-	-	-	-	-	1,975,000
Others	5,767	90	(3)	(1,189)	(4,110)	637	1,192
	₩ 2,170,102	₩ 22,454	₩ (974)	₩ (23,821)	₩ (21,686)	₩ 637	₩ 2,146,712

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

(*2) The transfers consists of transfers to property, plant, and equipment.

14. Borrowings and bonds

(1) Details of short-term borrowings as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

Description	Financial institution	Interest rate (%)	September 30, 2024	December 31, 2023
Working capital loan	Shinhan Bank and others	4.39 ~ 5.18	₩ 1,006,200	₩ 1,316,200
Facility loan	NH Bank	4.88	60,000	60,000
Commercial paper	KB securities and others	3.51 ~ 4.68	1,680,000	1,930,000
			₩ 2,746,200	₩ 3,306,200

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

Series	Interest rate (%)	Issue date	Maturity	September 30, 2024	December 31, 2023
273-3rd	4.26	2014-03-25	2024-03-25	₩ -	₩ 100,000
277-4th	2.43	2016-06-01	2026-06-01	60,000	60,000
279-3rd	2.58	2017-03-06	2024-03-06	-	120,000
280-3rd	2.67	2017-06-01	2024-06-01	-	110,000
281-3rd	2.62	2017-08-04	2024-08-04	-	70,000
282-3rd	2.86	2017-10-25	2024-10-25	80,000	80,000
283-2nd	2.99	2018-02-27	2025-02-27	60,000	60,000
283-3rd	3.26	2018-02-27	2028-02-27	100,000	100,000
284-2nd	3.01	2018-06-08	2025-06-08	60,000	60,000
284-3rd	3.09	2018-06-08	2028-06-08	100,000	100,000
285-2nd	2.47	2018-09-06	2025-09-06	60,000	60,000
285-3rd	2.55	2018-09-06	2028-09-06	120,000	120,000

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14. Borrowings and bonds (cont'd)

Series	Interest rate (%)	Issue date	Maturity	September 30, 2024	December 31, 2023
287-1st	2.17	2019-02-27	2024-02-27	-	150,000
287-2nd	2.23	2019-02-28	2026-02-27	70,000	70,000
287-3rd	2.35	2019-03-01	2029-02-27	80,000	80,000
288-1st	1.81	2019-06-04	2024-06-04	-	170,000
288-2nd	1.83	2019-06-04	2026-06-04	60,000	60,000
288-3rd	1.87	2019-06-04	2029-06-04	110,000	110,000
289-2nd	1.76	2019-09-20	2024-09-20	-	120,000
289-3rd	1.84	2019-09-20	2029-09-20	70,000	70,000
290-2nd	1.83	2019-11-28	2024-11-28	90,000	90,000
290-3rd	1.89	2019-11-28	2029-11-28	70,000	70,000
291-2nd	1.63	2020-02-20	2025-02-20	160,000	160,000
291-3rd	1.70	2020-02-20	2027-02-20	40,000	40,000
291-4th	1.80	2020-02-20	2030-02-20	60,000	60,000
292-2nd	1.69	2020-06-03	2025-06-03	120,000	120,000
292-3rd	1.79	2020-06-03	2030-06-03	50,000	50,000
293-1st	1.57	2020-09-07	2025-09-07	200,000	200,000
293-2nd	1.74	2020-09-07	2027-09-07	30,000	30,000
293-3rd	1.83	2020-09-07	2030-09-07	120,000	120,000
294-1st	1.61	2020-12-03	2025-12-03	150,000	150,000
294-2nd	1.93	2020-12-03	2030-12-03	90,000	90,000
295-1st	1.24	2021-02-24	2024-02-24	-	60,000
295-2nd	1.60	2021-02-24	2026-02-24	150,000	150,000
295-3rd	1.75	2021-02-24	2028-02-24	30,000	30,000
295-4th	2.03	2021-02-24	2031-02-24	80,000	80,000
296-1st	1.53	2021-06-04	2024-06-04	-	40,000
296-2nd	2.07	2021-06-04	2026-06-04	220,000	220,000
296-3rd	2.49	2021-06-04	2031-06-04	70,000	70,000
297-1st	1.87	2021-09-13	2024-09-13	-	100,000
297-2nd	2.09	2021-09-13	2026-09-13	200,000	200,000
297-3rd	2.28	2021-09-13	2031-09-13	60,000	60,000
298-1st	2.51	2021-11-05	2024-11-05	50,000	50,000
298-2nd	2.72	2021-11-05	2026-11-05	100,000	100,000
298-3rd	2.83	2021-11-05	2031-11-05	40,000	40,000
300	2.16	2019-04-26	2024-04-26	-	50,000
302-1st	3.00	2022-02-22	2025-02-22	220,000	220,000
302-2nd	3.10	2022-02-22	2027-02-22	120,000	120,000
302-3rd	3.19	2022-02-22	2032-02-22	50,000	50,000
303-1st	3.97	2022-06-09	2025-06-09	160,000	160,000
303-2nd	4.14	2022-06-09	2027-06-09	160,000	160,000
303-3rd	4.24	2022-06-09	2029-06-09	30,000	30,000
304-1st	4.64	2022-09-16	2024-09-13	-	65,000
304-2nd	4.71	2022-09-16	2025-09-16	145,000	145,000
304-3rd	4.85	2022-09-16	2027-09-16	160,000	160,000
305-1st	5.45	2022-12-08	2024-12-06	120,000	120,000
305-2nd	5.49	2022-12-08	2025-12-08	130,000	130,000
305-3rd	5.45	2022-12-08	2027-12-08	40,000	40,000
306-1st	4.07	2023-02-27	2026-02-27	160,000	160,000
306-2nd	4.20	2023-02-27	2028-02-27	230,000	230,000
307-1st	4.19	2023-05-30	2026-05-30	150,000	150,000
307-2nd	4.38	2023-05-30	2028-05-30	290,000	290,000
307-3rd	4.60	2023-05-30	2030-05-30	110,000	110,000
307-4th	4.67	2023-05-30	2033-05-30	50,000	50,000
308-1st	4.40	2023-09-11	2026-09-11	150,000	150,000
308-2nd	4.50	2023-09-11	2028-09-11	140,000	140,000
308-3rd	4.65	2023-09-11	2030-09-11	50,000	50,000
308-4th	4.81	2023-09-11	2033-09-11	70,000	70,000
309-1st	3.96	2023-12-11	2026-12-11	90,000	90,000
309-2nd	4.04	2023-12-11	2028-12-11	110,000	110,000
310-1st	3.73	2024-02-29	2026-02-27	50,000	-
310-2nd	3.81	2024-02-29	2027-02-26	220,000	-
310-3rd	3.83	2024-02-29	2029-02-28	110,000	-
311-1st	3.69	2024-05-30	2027-05-28	210,000	-
311-2nd	3.78	2024-05-30	2029-05-30	120,000	-
311-3rd	3.86	2024-05-30	2031-05-30	50,000	-
312-1st	3.29	2024-08-29	2026-08-28	50,000	-
312-2nd	3.40	2024-08-29	2027-08-27	290,000	-
312-3rd	3.39	2024-08-29	2029-08-29	80,000	-
312-4th	3.39	2024-08-29	2031-08-29	30,000	-

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14. Borrowings and bonds (cont'd)

	7,355,000	7,300,000
Less: Discount on bonds payable	(15,439)	(15,187)
Less: Current portion	(1,524,106)	(1,494,144)
	<u>₩ 5,815,455</u>	<u>₩ 5,790,669</u>

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

Description	Financial institution	Interest rate (%)	September 30, 2024	December 31, 2023
Commercial paper	SK Securities	5.65 ~ 5.75	₩ 200,000	₩ 200,000
Working capital loan	Woori Bank	4.99 ~ 5.27	200,000	200,000
Working capital loan	Kookmin Bank	4.96 ~ 4.97	<u>350,000</u>	<u>100,000</u>
			750,000	500,000
Less : Discount on long-term borrowings			(247)	(349)
Less : Current portion			<u>(300,000)</u>	<u>-</u>
			<u>₩ 449,753</u>	<u>₩ 499,651</u>

15. Provisions

Changes in provisions for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024						
	Beginning balance	Increase	Use	Return	Ending balance	Current	Non-Current
Provision for Service warranties	₩ 2,735	₩ 4,250	₩ (190)	₩ (84)	₩ 6,711	₩ 6,711	-
Other provisions	27,870	1,321	(158)	(1,114)	27,919	3,113	24,806
	<u>₩ 30,605</u>	<u>₩ 5,571</u>	<u>₩ (348)</u>	<u>₩ (1,198)</u>	<u>₩ 34,630</u>	<u>₩ 9,824</u>	<u>₩ 24,806</u>

	For the nine-month period ended September 30, 2023						
	Beginning balance	Increase	Use	Return	Ending balance	Current	Non-Current
Provision for Service warranties	₩ 1,717	₩ 1,763	₩ (873)	₩ (76)	₩ 2,531	₩ 2,531	-
Other provisions	32,203	2,683	(2,119)	(465)	32,302	2,276	30,026
	<u>₩ 33,920</u>	<u>₩ 4,446</u>	<u>₩ (2,992)</u>	<u>₩ (541)</u>	<u>₩ 34,833</u>	<u>₩ 4,807</u>	<u>₩ 30,026</u>

The Company estimates a provision for service warranties for revenue from projects based on historical claim rates and prior experiences. Meanwhile, other provisions consist of provision for restoration liabilities, provision for losses and provision for emissions. If the underlying asset must be restored to its original value after the expiration of the contract period based on the lease contract, the restoration obligation is recognized as the present value of the estimated cost of removing, dismantling, and repairing the facility. In the event that future losses are expected to be incurred with respect to an ongoing project, the Company recognizes the expected loss as provision for losses immediately. The Company estimates the expected cost to be incurred in the future for emissions exceeding the relevant performance year emission rights held by the company in relation to greenhouse gas emissions and accounts for them as emission rights provisions.

SK Inc.
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16. Retirement benefit Plan

(1) The expenses related to the defined contributions plans recognized for the nine-month periods ended September 30, 2024 and 2023, were ₩1,476 million and ₩500 million respectively.

(2) Details of defined benefit liabilities (assets) as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions)

	September 30, 2024	December 31, 2023
Present value of defined benefit obligation	₩ 491,334	₩ 500,917
Fair value of plan assets	(461,432)	(545,273)
	<u>₩ 29,902</u>	<u>₩ (44,356)</u>

(3) Changes in the defined benefit liabilities (assets) for the nine-month periods ended September 30, 2024 and September 30, 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 500,917	₩ (545,273)	₩ (44,356)
Retirement allowance:			
Current service cost	33,427	-	33,427
Net interest cost (income)	15,723	(16,629)	(906)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expense)	-	2,545	2,545
Actuarial changes arising from changes in financial assumptions	14,013	-	14,013
Experience adjustment and others	(7,432)	-	(7,432)
Benefit payments	(40,965)	70,419	29,454
Settlements	(29,719)	27,875	(1,844)
Others	5,370	(369)	5,001
Ending balance	<u>₩ 491,334</u>	<u>₩ (461,432)</u>	<u>₩ 29,902</u>

	For the nine-month period ended September 30, 2023		
	Present value of defined benefit obligation	Fair value of plan assets	Total
Beginning balance	₩ 458,961	₩ (523,161)	₩ (64,200)
Retirement allowance:			
Current service cost	31,327	-	31,327
Net interest cost (income)	17,415	(19,782)	(2,367)
Remeasurements:			
Return on plan assets (excluding amounts included in net interest expense)	-	9,906	9,906
Actuarial changes arising from changes in financial assumptions	(2,058)	-	(2,058)
Experience adjustment and others	1,776	-	1,776
Benefit payments	(38,918)	37,374	(1,544)
Others	20,001	(18,998)	1,003
Ending balance	<u>₩ 488,504</u>	<u>₩ (514,661)</u>	<u>₩ (26,157)</u>

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17. Other assets and liabilities

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Current assets:		
Accrued income	₩ 7,899	₩ 1,566
Advanced payments	37,138	28,956
Income tax receivables	2,254	-
Prepaid expenses	104,201	78,789
Short-term loans	568,264	25,824
Guarantee deposits	17,221	11,910
Lease receivables	39,567	36,741
Derivative financial assets	16,735	46,347
	<u>₩ 793,279</u>	<u>₩ 230,133</u>
Non-current assets:		
Long-term financial instruments	₩ 6,248	₩ 1,637
Long-term loans	156	501,132
Long-term guarantee deposits	36,915	42,239
Long-term lease receivables	213,820	230,891
Derivative financial assets	298,524	298,524
Others	127	127
	<u>₩ 555,790</u>	<u>₩ 1,074,550</u>

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Current liabilities:		
Advances received	₩ 205,648	₩ 180,436
Withholdings	22,183	26,165
Tax liabilities	-	19,178
Dividends payables	183	178
Leasehold deposits received	244	545
Lease liabilities	69,636	80,932
Derivative financial liabilities	13,854	807
	<u>₩ 311,748</u>	<u>₩ 308,241</u>
Non-current liabilities:		
Long-term leasehold deposits received	₩ 25,034	₩ 24,388
Long-term lease liabilities	257,312	287,077
Derivative financial liabilities	250,904	250,904
Long-term employee benefits	14,455	12,164
	<u>₩ 547,705</u>	<u>₩ 574,533</u>

18. Derivative financial assets and liabilities

The Company has entered into foreign currency forward contracts to manage fluctuations in currency exchange rates related to its loans and has entered total return swap contracts with certain common share investors holding share issued by subsidiaries and others. Details of assets and liabilities after valuation as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	September 30, 2024			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Purpose of trading				
Swap contract	₩ 2,561	₩ 298,524	₩ 137	₩ 250,904
Forward contract	14,174	-	13,717	-
	<u>₩ 16,735</u>	<u>₩ 298,524</u>	<u>₩ 13,854</u>	<u>₩ 250,904</u>
	December 31, 2023			
	Assets		Liabilities	
	Current	Non-current	Current	Non-current
Purpose of trading				
Swap contract	₩ -	₩ 298,524	₩ -	₩ 250,904
Forward contract	46,347	-	807	-
	<u>₩ 46,347</u>	<u>₩ 298,524</u>	<u>₩ 807</u>	<u>₩ 250,904</u>

19. Share capital

(1) Details of share capital as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions, except for number of shares):

	September 30, 2024	
	Common stocks	Preferred stocks (No voting rights)
	Number of shares	Par value
Number of shares authorized for issue (in shares)	400,000,000	45,000,000
Par value per share (in won)	₩ 200	₩ 200
Number of shares issued (in shares)	72,502,703	566,135
Share capital	₩ 16,030	₩ 113
	December 31, 2023	
	Common stocks	Preferred stocks (No voting rights)
	Number of shares	Par value
Number of shares authorized for issue (in shares)	400,000,000	45,000,000
Par value per share (in won)	₩ 200	₩ 200
Number of shares issued (in shares)	73,198,329	566,135
Share capital	₩ 16,030	₩ 113

The Company retired 6,000,000 shares of its treasury share (par value: ₩1,200 million) in 2015, 695,626 shares of its treasury share (par value: ₩139 million) for the nine-month period ended September 30, 2024 and 951,000 shares of its treasury share (par value: ₩190 million) for the year ended December 31, 2023 by reducing retained earnings, which resulted in a difference between total par value of ordinary shares and issued capital. Meanwhile, the total number of shares to be issued under the articles of association is 400,000,000 shares, of which preferred shares without voting rights can be issued up to 45,000,000 shares.

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19. Share capital (cont'd)

(2) Changes in the number of shares issued for the nine-month periods ended September 30, 2024 and 2023 are as follows (In shares):

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

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

20. Other paid-in capital

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Additional paid-in capital (*1)	₩ 6,609,167	₩ 6,609,167
Treasury shares (*2)	(1,948,386)	(1,960,078)
Stock option	5,872	4,785
Other capital surplus	(1,426,148)	(1,426,872)
Other capital adjustments	(20,291)	(19,929)
	<u>₩ 3,220,214</u>	<u>₩ 3,207,073</u>

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

(*2) As of September 30, 2024, treasury share consists of those acquired to increase the enterprise value and to stabilize share price (6,959,117 ordinary shares), and those acquired from repurchase of shares from dissenting shareholders on business combination and shares arising from odd lot shares (11,023,237 ordinary shares and 1,787 preferred shares) during the year 2015.

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20. Other paid-in capital (cont'd)

(2) The changes in other paid-in capital for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024					
	Additional paid-in capital	Treasury shares	Stock option	Other capital surplus	Other capital adjustments	Total
Beginning balance	₩ 6,609,167	₩ (1,960,078)	₩ 4,785	₩(1,426,872)	₩ (19,929)	₩ 3,207,073
Acquisition and disposal of treasury shares	-	(63,670)	-	724	-	(62,946)
Granting of stock option	-	-	1,087	-	-	1,087
Retirement of treasury shares	-	75,362	-	-	-	75,362
Business transfer under equal control	-	-	-	-	(362)	(362)
Ending balance	<u>₩ 6,609,167</u>	<u>₩ (1,948,386)</u>	<u>₩ 5,872</u>	<u>₩ (1,426,148)</u>	<u>₩ (20,291)</u>	<u>₩ 3,220,214</u>

	For the nine-month period ended September 30, 2023					
	Additional paid-in capital	Treasury shares	Stock option	Other capital surplus	Other capital adjustments	Total
Beginning balance	₩ 6,609,167	₩ (2,009,083)	₩ -	₩(1,428,522)	₩ (19,929)	₩ 3,151,633
Disposal of treasury shares	-	2,905	-	1,649	-	4,554
Retirement of treasury shares	-	100,681	-	-	-	100,681
Ending balance	<u>₩ 6,609,167</u>	<u>₩ (1,905,497)</u>	<u>₩ -</u>	<u>₩(1,426,873)</u>	<u>₩ (19,929)</u>	<u>₩ 3,256,868</u>

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

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

(4) Changes in treasury shares for the nine-month periods ended September 30, 2024 and 2023 are as follows (Number of shares):

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

SK Inc.
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21. Retained earnings

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

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Legal reserve:		
Earned surplus reserve(*1)	₩ 8,072	₩ 8,072
Voluntary reserve:		
Reserve for business rationalization	11,121	11,121
Reserve for business improvement	51,775	51,775
Unappropriated retained earnings	<u>12,579,869</u>	<u>12,389,869</u>
	<u>₩ 12,650,837</u>	<u>₩ 12,460,837</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.

22. Other components of equity

Details of other components of equity as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Gain on financial assets measured at FVOCI	₩ 233,408	₩ 233,993

23. Share-based payment

23.1 Cash-settled share-based payment

(1) The terms and conditions related to grants of the stock options granted under the share option program as of September 30, 2024 are as follows (Korean won):

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

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23. Share-based payment (cont'd)

	1 (*3)	2 (*3)
Grant date	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 (shares)	39,098	19,551
Exercise price (Korean won)	₩ 89,204	₩ 89,204
Contractual life of options	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	

(*1) All options granted in wave 1-3 were fully forfeited during the nine-month period ended September 30, 2024.
(*2) All options granted in wave 2 were fully exercised during the nine-month period ended September 30, 2024.
(*3) The stock options have been transferred from SK Materials Co., Ltd.(formerly)

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

September 30, 2024					
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (2,149)	₩ 13,155	₩ -	₩ 13,155	₩	₩ 11,828

September 30, 2023					
Compensation costs recognized for the prior period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	Related liabilities	
₩ (8,590)	₩ 10,160	₩ -	₩ 10,160	₩	₩ 8,946

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

	For the nine-month period ended September 30, 2024		For the nine-month period ended September 30, 2023	
	Stocks (in shares)	Weighted average exercise price	Stocks (in shares)	Weighted average exercise price
Beginning balance	332,725	₩ 153,397	392,762	₩ 160,508
Exercised	(18,607)	(108,959)	(18,607)	(100,884)
Extinguished	(41,431)	(263,950)	(41,430)	(244,400)
Ending balance	272,687	₩ 139,632	332,725	₩ 153,397
Stock Options available for exercise	58,649	89,204	77,256	93,962

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

	September 30, 2024			
	2-1	2-2	1	2
Option Pricing Model	The binomial model	The binomial model	The binomial model	The binomial model
Expected price(Closing price on the preceding day)	₩ 153,200	₩ 153,200	₩ 153,200	₩ 153,200
Risk-free interest rate	2.83%	2.83%	2.83%	2.83%
Expected option life	7 years	7 years	7 years	7 years
Expected volatility	41.90%	41.90%	41.90%	41.90%
Dividend yield	3.26%	3.26%	3.26%	3.26%
Exercise price	₩ 153,450	₩ 153,450	₩ 89,204	₩ 89,204
Fair value per share	₩ 36,378	₩ 36,378	₩ 68,906	₩ 68,906

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23. Share-based payment (cont'd)

23.2 Equity-settled share-based payments

(1) The Company has granted performance-based stock compensation to major executives as part of compensation related to corporate value growth, 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
Evaluation base date	December 5, 2023	May 30, 2024
Grant date	March 29, 2023	March 27, 2024
Types of shares to be issued	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 as of September 30, 2024, due to Equity-settled Share-based Payment are as follows (Korean won in millions):

September 30, 2024				
Compensation costs recognized for the current period	Accumulated compensation costs recognized for the period	Residual compensation costs	Total compensation costs	
₩ 1,021	₩ 5,741	₩ 859	₩	6,600

(3) The assumption and variables used in the option pricing model for equity-settled share-based payment as of September 30, 2024 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		2.3 years		2.8 years
Expected volatility		27.48%		37.66%
Dividend yield		2.50%		2.60%
Fair value per share	₩	126,799	₩	120,636

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23. Share-based payment (cont'd)

23.2 Equity-settled share-based payments (cont'd)

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

24. Operating revenue

(1) Details of operating revenue for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Revenue from contracts with customers:				
IT service (*1)	₩ 564,971	₩ 1,705,607	₩ 503,734	₩ 1,562,942
Trademark usage income	82,358	247,120	78,692	250,690
	<u>647,329</u>	<u>1,952,727</u>	<u>582,426</u>	<u>1,813,632</u>
Revenue from other sources:				
Dividend income	69,996	759,272	166,437	1,337,242
Rental income	19,171	57,705	16,847	46,700
	<u>89,167</u>	<u>816,977</u>	<u>183,284</u>	<u>1,383,942</u>
	<u>₩ 736,496</u>	<u>₩ 2,769,704</u>	<u>₩ 765,710</u>	<u>₩ 3,197,574</u>

(*1) Includes contract revenue of ₩ 1,108,237 million and ₩ 1,028,464 million recognized from the cost-based input method for the nine-month periods ended September 30, 2024 and 2023.

(2) Details of revenue from contracts with customers for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Type of goods or services:				
IT service	₩ 564,971	₩ 1,705,607	₩ 503,734	₩ 1,562,942
Trademark usage income	82,358	247,120	78,692	250,690
	<u>₩ 647,329</u>	<u>₩ 1,952,727</u>	<u>₩ 582,426</u>	<u>₩ 1,813,632</u>
Geographical location:				
Korea	₩ 554,012	₩ 1,581,385	₩ 501,451	₩ 1,525,250
Asia	25,933	62,298	49,584	116,801
Europe	15,535	49,637	10,374	81,999
North America	51,849	259,407	21,017	89,582
	<u>₩ 647,329</u>	<u>₩ 1,952,727</u>	<u>₩ 582,426</u>	<u>₩ 1,813,632</u>
Timing of revenue recognition:				
Recognized at a point in time	₩ 91,571	₩ 342,969	₩ 66,438	₩ 298,105
Recognized over a period	555,758	1,609,758	515,988	1,515,527
	<u>₩ 647,329</u>	<u>₩ 1,952,727</u>	<u>₩ 582,426</u>	<u>₩ 1,813,632</u>

SK Inc.
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24. Operating revenues (cont'd)

(3) Details of contract assets, contract liabilities related to revenue from contracts with customers as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	September 30, 2024	December 31, 2023
Contract assets from IT service contract	₩ 325,301	₩ 181,559
Contract liabilities from IT service contract	95,072	174,639

(4) Among the balance of contract liabilities for the years initiated 2024 and 2023, the recognized revenue for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
IT service contract	₩ 162,893	₩ 133,547

(5) Details of construction profit variation by changes of accounting estimates related to construction contracts for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024			
	Change in estimated construction revenue	Change in estimated cost	Impact on current period profit (loss)	Impact on future period profit (loss)
IT Service contracts	₩ 26,591	₩ 44,115	₩ (18,020)	₩ 496
	For the nine-month period ended September 30, 2023			
	Change in estimated construction revenue	Change in estimated cost	Impact on current period profit (loss)	Impact on future period profit (loss)
IT Service contracts	₩ 2,716	₩ 13,645	₩ (11,094)	₩ 165

Impact on profit of current and future period has been calculated by the estimated costs based on the situations which occurred from the inception of the IT service contract to the current reporting period and the estimated revenue as of the current reporting period. Estimated cost and revenue can be changed in the future period.

(6) Details of the construction contract where the contract revenue exceeds 5% of the preceding year's revenue under the percentage-of-completion method for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended September 30, 2024						
	Contract date	Contractual completion deadline	Progress(%)	Unbilled receivable		Trade receivable (*1)	
				Total	Impairment	Total	Allowance for doubtful accounts
(US)SK On year 2023 North America JV_BA3 return logistics automation construction project	2024-06-10	2026-12-31	23.31%	₩ -	₩ -	₩ -	₩ 51,896
(US)SK On year 2022 return logistics automation construction project	2023-03-23	2025-05-31	78.11%	₩ -	₩ -	₩ -	₩ -
SK On return logistics automation construction project_SKOH2	2022-09-05	2024-10-31	90.86%	₩ 2,676	₩ -	₩ -	₩ -

(*1) The balance of receivable that do not include unbilled receivable.

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24. Operating revenue (cont'd)

For the nine-month period ended September 30, 2023											
	Contract date	Contractual completion deadline	Progress(%)	Unbilled receivable			Trade receivable (*1)				
				Total	Impairment		Total	Allowance for doubtful accounts			
(US)SK On year 2022 return logistics automation construction project	2023-03-23	2025-05-31	15.58%	₩	-	₩	-	₩	-	₩	-
SK On year 2022 return logistics automation construction project_SKOH2	2022-09-05	2024-10-31	48.76%	₩	30,433	₩	-	₩	-	₩	-

(*1) The balance of receivable that do not include unbilled receivable.

25. Operating expenses

Details of operating expenses for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Material costs	₩ 87,289	₩ 322,466	₩ 62,360	₩ 282,916
Outsourcing costs	217,477	627,396	209,640	604,212
Salaries	126,907	383,104	133,277	378,780
Provision for pension benefits	10,812	65,278	9,705	28,758
Depreciation	24,466	73,120	22,554	71,109
Amortization	3,462	9,737	2,637	10,699
Rents	2,554	4,404	2,181	3,910
Communications	5,255	15,593	4,940	15,110
Employee welfare benefits	20,615	66,407	23,012	77,519
Commissions	60,016	181,329	46,645	129,934
Education and training	6,255	17,830	6,365	21,024
Research and development	6,320	23,808	10,516	39,001
Office management	19,814	54,631	17,876	47,868
Travel	5,392	15,813	7,384	18,791
Others	15,805	47,812	14,228	45,385
	<u>₩ 612,439</u>	<u>₩ 1,908,728</u>	<u>₩ 573,320</u>	<u>₩ 1,775,016</u>

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26. Finance income and costs

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

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Interest income	₩ 8,912	₩ 26,986	₩ 6,802	₩ 23,580
Gain on foreign currency transactions	1,974	10,864	1,783	10,549
Gain on foreign currency translation	(1,891)	41,662	15,092	33,751
Gain on valuation of financial assets measured at FVTPL	28,732	43,720	4,544	12,053
Gain on valuation of derivatives	(3,363)	5,323	72,967	88,928
Gain on transactions of derivatives	1,817	2,655	60	9,943
	<u>₩ 36,181</u>	<u>₩ 131,210</u>	<u>₩ 101,248</u>	<u>₩ 178,804</u>

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

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Interest expenses	₩ 103,102	₩ 311,248	₩ 102,927	₩ 301,615
Loss on foreign currency transactions	1,051	4,372	900	11,538
Loss on foreign currency translation	33,275	33,793	9,442	23,564
Loss on valuation of financial assets measured at FVTPL	34,062	57,872	41,426	111,884
Loss on valuation of derivatives	(26,551)	27,398	65,225	87,089
Loss on transactions of derivatives	1,216	25,934	900	7,244
	<u>₩ 146,155</u>	<u>₩ 460,617</u>	<u>₩ 220,820</u>	<u>₩ 542,934</u>

27. Other non-operating income and expenses

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

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Reimbursement of losses in associates	₩ -	₩ 9,434	₩ -	₩ -
Gain on disposal of investments in subsidiaries and associates	8,910	34,072	-	-
Gain on disposal of property, plant and equipment	88	203	1	217
Gain on disposal of intangible assets	3,403	10,316	16	16
Others	3,430	7,243	3,936	21,518
	<u>₩ 15,831</u>	<u>₩ 61,268</u>	<u>₩ 3,953</u>	<u>₩ 21,751</u>

SK Inc.
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27. Other non-operating income and expenses (cont'd)

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

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Loss on disposal of investments in subsidiaries and associates	₩ -	₩ -	₩ -	₩ 769
Impairment loss on investments in subsidiaries and associates	2,094	30,680	38,131	253,176
Loss on disposal of property, plant and equipment	553	599	-	2
Loss on disposal of intangible assets	1	392	63	63
Impairment loss on intangible assets	18,100	18,100	-	21,686
Donations	1,734	6,550	127	7,689
Others	2,902	7,911	2,788	5,094
	<u>₩ 25,384</u>	<u>₩ 64,232</u>	<u>₩ 41,109</u>	<u>₩ 288,479</u>

28. Income taxes

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

The average effective tax rate was not calculated due to the income tax benefit for the nine-month periods ended September 30, 2024 and 2023.

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

29. Earnings per share

29.1 Basic earnings per ordinary share

(1) Basic earnings per ordinary share for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions, except per share and weighted-average number of ordinary shares outstanding):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Profit for the period	₩ 24,096	₩ 547,525	₩ 37,728	₩ 818,924
Less: Preference share dividends (*1)	275	5,634	403	8,225
Profit for the period attributable to ordinary share owners of the Company	₩ 23,821	₩ 541,891	₩ 37,325	₩ 810,699
Weighted-average number of issued shares outstanding (*2)	54,520,349	54,557,517	56,152,943	55,819,770
Basic earnings per ordinary share (Korean Won)	₩ 437	₩ 9,932	₩ 665	₩ 14,524

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

(*2) The weighted average number of shares issued considering the number of shares issued due to changes in the number of treasury stocks during the nine-month periods ended September 30, 2024 and 2023.

(2) The weighted-average number of earnings per ordinary shares outstanding for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows:

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Weighted-average number of shares outstanding	72,502,703	72,911,447	74,149,329	74,149,329
Weighted-average number of treasury shares	(17,982,354)	(18,353,930)	(17,996,386)	(18,329,559)
Weighted-average number of issued shares outstanding	54,520,349	54,557,517	56,152,943	55,819,770

29.2 Basic earnings per preference share

Basic earnings per preference share for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions, except per share and weighted-average number of shares):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Preference share dividends and residual income	₩ 275	₩ 5,634	₩ 403	₩ 8,225
Weighted-average number of shares	564,348	564,348	564,348	564,348
Basic earnings per preference share (Korean won) (*1)	₩ 487	₩ 9,982	₩ 715	₩ 14,574

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

29. Earnings per share (cont'd)

29.2 Basic earnings per preference share (cont'd)

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

29.3 Diluted earnings per ordinary share

(1) The details of the calculation of diluted earnings per ordinary share for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions, except per share and adjusted weighted-average number of shares outstanding):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Profit for the period	₩ 24,096	₩ 547,525	₩ 37,728	₩ 818,924
Preference share dividends and residual income (*1)	275	5,634	403	8,225
Cash-settled stock option	685	1,582	690	6,321
Profit for the period to calculate diluted earnings per ordinary share	23,136	540,309	36,635	804,378
Adjusted weighted-average number of shares outstanding	54,556,161	54,611,257	56,181,102	55,872,652
Diluted earnings per ordinary share (Korean Won)	₩ 424	₩ 9,894	₩ 652	₩ 14,397

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

(2) Adjusted weighted-average diluted number of shares outstanding for calculating diluted earnings per ordinary share for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows:

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Weighted-average number of shares outstanding	54,520,349	54,557,517	56,152,943	55,819,770
Adjustment : stock options	35,812	53,740	28,159	52,882
Adjusted weighted-average number of shares outstanding	54,556,161	54,611,257	56,181,102	55,872,652

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

30. Related parties

(1) The status of the Company's related parties as of September 30, 2024 are as follows:

	Related parties
Ultimate controlling party	Tae-won Chey and related parties
Subsidiaries	SK Innovation Co., Ltd., SK Energy Co., Ltd., Netruck Co., Ltd., Jeju United FC Corporation, SK Energy Europe, Ltd., HAPPYDIDIM, goodsFLOW, SK Energy Road Investment Co., Ltd., SK Energy Hong Kong Co., Ltd., SK Energy International Pte. Ltd., Green & Co. Asia Ltd., SK Energy Americas, Inc., SK Energy Road Investment (HK) Co., Ltd., SK Asphalt (Shanghai) Co., Ltd., SK Terminal B.V., SK Geo Centric Co., Ltd., SK Geo Centric High Performance Product (Zhejiang) Co., Ltd., Happymoeum, ONEPOL Co., Ltd., SK Geo Centric International Trading (Shanghai) Co., Ltd., SK Innovation America, Inc., Route on Delaware, Inc., Route on Quebec Ltd., Voltcycle On LLC, Blueoval SK, LLC, SK Geo Centric (Beijing) Holding Co., Ltd., SK Geo Centric China Ltd., SK Geo Centric Japan Co., Ltd., SK Geo Centric Singapore Pte. Ltd., SK Geo Centric Investment Hong Kong Ltd., SK GC Americas, Inc., Green & Connect Capital Inc., SK Functional Polymer, S.A.S, Sino-Korea Green New Material (JiangSu) Ltd., Ningbo SK Performance Rubber Co., Ltd., SK Primacor Americas LLC, SK Saran Americas LLC, SK Geo Centric Brazil LTDA, Grove Energy Capital III, LLC, SK Primacor Europe, S.L.U., SK Enmove Co., Ltd., Yubase Manufacturing Asia Corporation, SK Enmove (Tianjin) Co., Ltd., SK Enmove Japan Co., Ltd., SK Enmove India Pvt. Ltd., SK Enmove Americas Inc., SK Enmove Europe B.V., Iberian LUBE BASE OILS S.A., SK Enmove Russia LLC, SK ie technology Co., Ltd., SK Hi-tech Battery Materials(Jiangsu) Co., Ltd., SK Hi-tech Battery Materials Poland Sp. Z o.o., SK On Co., Ltd., SK on tech plus Co. Ltd., Happymidum, SK On Jiangsu Co., Ltd., SK On Yancheng Co., LTD., SK Battery America, Inc., SK ON Hungary Kft., SK Battery Manufacturing Kft., Yancheng Yandu District M Energy Consulting Limited Company, Mobile Energy Battery America, LLC., SK earthon Co., Ltd., SK Incheon Petrochem Co., Ltd., SK Trading International Co., Ltd., HappyKium, SK Earthon Australia Pty Ltd., SK On Technology Center (Jiangsu) Co., Ltd., SK On (Shanghai) CO., Ltd., IPC First Securitization Specialty Company, SK Innovation Insurance (Bermuda), Ltd., SK Americas Inc., AUXO CAPITAL INC., AUXO CAPITAL MANAGERS LLC, SK GLOBAL DEVELOPMENT ADVISORS LLC, Tellus(HONG KONG) Investment Co., Ltd., SKY (Zhuhai Hengqin) Technology Co., Ltd., SK Ecoplant Co., Ltd., Changwon SG Energy Co., Ltd., Renewenergy Chungbuk Co., Ltd., Seosuwon Development Company, SEONGJU TECH 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., TES SBS (US) Holdings LLC, Soltzn N PTE. LTD., RenewOne Co., Ltd., Renewcon Daewon Co., Ltd., SK Ecoengineering Co., Ltd., Renewlogis Co., Ltd., Dongnam Offshore Windfarm Co., Ltd., Gangdong Green Complex, BT FC LLC, Topsun Co., Ltd., Windenergy Co., Ltd., Janggamsolar Co., Ltd., Goisolar Co., Ltd., Top Operation Co., Ltd., TS Energy No.24 Co., Ltd., TS Energy No.3 Co., Ltd., TS Energy No.9 Co., Ltd., HamgumiSolar Co., Ltd., Keumoh Energy Co., Ltd., Mungyeong Solar Farm Co., Ltd., Econovation, LLC, JIANGSU SKY NEW ENERGY CO., Ltd., TES Sustainable Battery Solutions Nordics AB, SKEC Nanjing Co., Ltd., SKEC (Thai), Ltd., Thai Woo Ree Engineering Co., Ltd., SKEC Anadolu, LLC, SK HOLDCO PTE. LTD., KS Investment B.V., Renewus Co., Ltd., Renewliquid Seonam Co., Ltd., Renewliquid Honam Co., Ltd., Renewenergy Chungcheong Co., Ltd., Renewenergy Gyeonggi Co., Ltd., Renewenergy Gyeongbuk Co., Ltd., Renewenergy Gyeongin Co., Ltd., Renewland Gyeongju Co., Ltd., Green Hwasun Inc., Green Sunchang INC., Gyeongsan Clean WaterWay CO., LTD., Dalsung Clean WaterWay Co., Ltd., Gokseong Environment Co., Ltd., SK Ecoplant Americas Corporation, Mesa Verde RE Ventures, LLC, Sunlake Co., Ltd., ECOENGINEERING CANADA LTD., SKEC Consultores Ecuador, S.A., ECO FRONTIER (SINGAPORE) PTE. LTD., SK TES PTE. LTD., TES CHINA HOLDINGS PTE. Ltd., TES-AMM (SINGAPORE) PTE. LTD., Total Environmental Solutions Co., Ltd., TES-AMM (H.K.) LIMITED, TES-AMM (MALAYSIA) SDN. BHD., TES-AMM (Europe) Ltd, TES-AMM AUSTRALIA PTY LTD, TES-AMM CORPORATION (CHINA) LTD, TES-AMM (BEIJING) CO., LTD, TES-AMM NEW ZEALAND LIMITED, TES-AMM (TAIWAN) CO., LTD, SHANGHAI TES-AMM WASTE PRODUCTS RECYCLE CO., LTD, TES-AMM JAPAN K.K., TES-AMM (SUZHOU) E-WASTE SOLUTIONS CO. LTD, PT. TES-AMM INDONESIA, TES-AMM (CAMBODIA)

30. Related parties (cont'd)

Related parties
CO., Ltd., TES-AMM (GUANGZHOU) CO., LTD, Shanghai Taixiang Network Technology Co., Ltd., Advanced Datacom (Australia) Pty Ltd, Green Technology Management Pty Ltd, TES-AMM EUROPE HOLDINGS LTD, TES-AMM UK Ltd, TES-AMM Central Europe GmbH, TES-AMM SAS, TES Total Environmental Solution AB, TES-AMM ESPANA ASSET RECOVERY AND RECYCLING, S.L., TES-AMM ITALIA SRL, TES USA, INC., VSL SUPPORT LIMITED, Technology Supplies International Ltd., Goldberg Enterprises Ltd., TES CONSUMER SOLUTIONS LTD, Integrations Et Services, TES SUSTAINABLE BATTERY SOLUTIONS France, GENPLUS PTE. LTD., Redeem UK Limited, REDEEM HOLDINGS LIMITED, TES ENERGY SOLUTIONS PTE. LTD., TES SUSTAINABILITY PRODUCTS PTE. LTD., CUSTOM CONTROLLERS UK LIMITED, TES B PTE. LTD., TES ESS PTE. LTD., Envirofone Limited, TES Sustainable Battery Solutions B.V., TES Sustainable Battery Solutions GmbH, Sustainable Product Stewards Pty Ltd, CASH FOR TECH LTD, Stock Must Go Limited, TES C PTE. LTD., TES Sustainable Battery Solutions (Australia) Pty Ltd., TES Sustainable Battery Solutions Limited Liability Company, Shanghai TES-AMM Xin New Materials Co., Ltd., TES Netherlands B.V., AP Development Co., Ltd., DY Indus Co., Ltd., DY Polymer Co., Ltd., SK oceanplant Co., Ltd., SAM KANG S&C Co., Ltd., ECOPLANT HOLDING MALAYSIA SDN. BHD., Silvertown Investco Limited, Changzhou SKY New Energy Co., Ltd., SKC Co., Ltd., SK enpulse Co., Ltd., SK TBMGEOSTONE Co.,Ltd., Allnewone Co., Ltd., SK leaveo Co., Ltd., ECOVANCE VIETNAM COMPANY LIMITED, Ultimus Co. Ltd., ISC Co., Ltd., ISC International, INC., ISC VINA MANUFACTURING COMPANY LIMITED, ISC JAPAN R&D Center, ITMTC Co., Ltd., SMATECH INC., Prowell Co., Ltd., ISCM Co., Ltd., NEXILIS MANAGEMENT MALAYSIA SDN. BHD., SK Nexilis Poland sp.z o.o., TECHDREAM CO. LIMITED, SKC PU Specialty Limited, SKCFT Holdings Co., Ltd., SK Nexilis Co., Ltd., SK picglobal Co., Ltd., SK NEXILIS MALAYSIA SDN. BHD., Absolics inc., ENPULSE America Co., Ltd., NEX INVESTMENT LIMITED, NEX UK HOLDINGS LIMITED, NEXILIS MANAGEMENT EUROPE B.V., SK E&S Co., Ltd., Kangwon City Gas Co., Ltd., Yeongnam Energy Service Co., Ltd., Ko-one Energy Service Co., Ltd., Busan City Gas Co., Ltd., Jeonbuk Energy Service Co., Ltd., Chonnam City Gas Co., Ltd., Chungcheong Energy Service Co., Ltd., Paju Energy Service Co., Ltd., Narae Energy Service Co., Ltd., Yeosu Energy Service Co., Ltd., Hae-ssal Solar Power Co., Ltd., Boryeong BlueHy Co., Ltd., NEW RENEWABLE ENERGY NO.1 JSC, KCE ME 2, LLC, KCE CT 8, LLC, KCE MI 4, LLC, KCE IN 5, LLC, KCE IA 1, LLC, KCE IL 3, LLC, ARIUL SOLAR POWER CO.,LTD., Busan Jungkwan Energy Co., Ltd., IGE Co., Ltd., Dangjin Haengbok Solar Co., Ltd., Busa Solar Power Co., Ltd., Prism Energy International China Limited, SK E&S Hong Kong Co., Ltd., PRISM ENERGY INTERNATIONAL PTE. LTD., PT Prism Nusantara International, PRISM ENERGY INTERNATIONAL HONG KONG LTD., Fajar Energy International Pte. Ltd., Prism Energy International Zhoushan Limited, PRISM DLNG PTE. LTD., SK E&S Australia Pty. Ltd., SK E&S AMERICAS, INC., DewBlaine Energy, LLC, SK E&S Dominicana S.R.L, RNES HOLDINGS, LLC, BU12 AUSTRALIA PTY. LTD., BU13 AUSTRALIA PTY. LTD., Pnes Investments, LLC, Grid Solution, LLC, Grid Solution II, LLC, Prism Darwin Pipeline Pty. Ltd., Passkey, Inc., LNG Americas, Inc., Key Capture Energy, LLC, KCE GLOBAL HOLDINGS, LLC, KCE PF HOLDINGS 2021, LLC, KCE LAND HOLDINGS, LLC, KCE NY 1, LLC, KCE NY 2, LLC, KCE NY 3, LLC, KCE NY 5, LLC, KCE NY 6, LLC, KCE NY 8, LLC, KCE NY 10, LLC, KCE NY 14, LLC, KCE NY 18, LLC, KCE NY 19, LLC, KCE NY 21, LLC, KCE NY 22, LLC, KCE NY 26, LLC, KCE IL 1, LLC, KCE BRUSHY CREEK HOLDINGS, LLC, KCE ME 1, LLC, KCE NY 28, LLC, KCE TX 15, LLC, KCE NY 27, LLC, KCE NY 29, LLC, KCE NY 32, LLC, KCE TX 10, LLC, KCE TX 13, LLC, KCE TX 14, LLC, KCE TX 16, LLC, KCE TX 19, LLC, KCE TX 21, LLC, KCE TX 24, LLC, KCE TX 25, LLC, KCE TX 26, LLC, KCE TX 28, LLC, KCE CT 1, LLC, KCE CT 2, LLC, KCE CT 4, LLC, KCE MI 1, LLC, KCE MI 2, LLC, KCE MI 3, LLC, KCE IL 2, LLC, KCE IN 1, LLC, KCE IN 2, LLC, KCE IN 3, LLC, KCE OK 1, LLC, KCE OK 2, LLC, KCE OK 3, LLC, KCE OK 4, LLC, KCE TEXAS HOLDINGS 2020, LLC, KCE TX 2, LLC, KCE TX 7, LLC, KCE TX 8, LLC, KCE TX 11, LLC, KCE TX 12, LLC, KCE NY 30, LLC, KCE NY 31, LLC, KCE NY 34, LLC, KCE NE 1, LLC, KCE NE 2, LLC, KCE CA 1, LLC, KCE CA 2, LLC, KCE CA 3, LLC, KCE NV 1, LLC, KCE NV 2, LLC, KCE NY 35, LLC, KCE TX 30, LLC, KCE NY 36, LLC, KCE TX 31, LLC, KCE CT 11, LLC, ROUGHNECK STORAGE LLC, MOBILITY SOLUTION I INC., MOBILITY SOLUTION II INC., EVERCHARGE, INC., EVERCHARGE SERVICES, LLC, KCE CT 5, LLC, KCE CT 7, LLC, KCE CT 10, LLC, KCE MARKET OPERATIONS, LLC, LAI CCS, LLC, KCE CT 9, LLC, KCE PF Holdings 2022, LLC, KCE

30. Related parties (cont'd)

Related parties
MA 4, LLC, KCE ID 1, LLC, KCE ID 2, LLC, KCE ID 3, LLC, KCE CA 4, LLC, KCE CA 5, LLC, KCE CA 6, LLC, KCE CA 7, LLC, KCE NV 3, LLC, KCE IL 4, LLC, KCE NY 37, LLC, KCE MN 1, LLC, KCE NY 38, LLC, KCE MI 5, LLC, ArkN, LLC, Ark1, LLC, KCE IL 5, LLC, KCE IL 6, LLC, KCE NY 40, LLC, KCE MN 3, LLC, KCE AR 1, LLC, KCE MI 7, LLC, KCE OK 5, LLC, KCE OK 6, LLC, SK Biopharmaceuticals Co., Ltd., SK Biotek Co., Ltd., SK Siltron Co., Ltd., SK Tri Chem Co., Ltd., Happyfilling Co., Ltd., SK SILTRON SHANGHAI CO., LTD., Hweechan Co., Ltd., Happy Companion Co., Ltd., SK Materials Performance Co., Ltd., SK Materials Group14 (Shanghai) Co., Ltd., SK Pinx Co., Ltd., SK REIT Co., Ltd., Clean Energy REIT Co., Ltd., SK REITs Management Co., Ltd., Clean Industrial Reit Co., Ltd., Timor Holdings Ltd., SK powertech, Teraon Co., Ltd., SK Signet Inc., SK Bio-Pharma Tech (Shanghai) Co., Ltd., SK China Company, Ltd., SK (China) Enterprise Management Co., Ltd., SKY Enterprise Management Co., Ltd., SK Property Investment Management Company Limited, SK China Investment Management Company Limited, SK INTERNATIONAL AGRO-PRODUCTS LOGISTICS DEVELOPMENT CO.,LIMITED, Beijing LIZHIWEIXIN Technology Company Limited, Solaris Partners Pte. Ltd., Solaris GEIF Investment, SK Jinzhou International Agro-Sideline Products Park Co., Ltd., SK Jinzhou real estate development Co., Ltd., SKYLINE AUTO FINANCIAL LEASING CO.,LIMITED, Tianjin SK Car Rental Co., Ltd., SK Investment Management Co., Ltd., SK Materials(Shanghai) Co., Ltd., SK Semiconductor Investments Co., Limited, Hua Lei Holdings Pte. Ltd., Golden Pearl EV Solutions Limited, I CUBE CAPITAL HONG KONG 1. LP LIMITED, SK Mobility Investments Company Limited, SK Siltron Japan, Inc, SK Resonac Corporation, SK materials JNC Co., Ltd., SK Japan Inc., Gemini Partners Pte. Ltd., SK SOUTH EAST ASIA INVESTMENT PTE. LTD., SK INVESTMENT VINA I PTE. LTD., SK INVESTMENT VINA II PTE. LTD., SK INVESTMENT VINA III PTE. LTD., Socar Mobility Malaysia, Sdn. Bhd., IMEXPHARM CORPORATION, PT Future Mobility Solutions, Future Mobility Solutions Sdn. Bhd., LINH NAM VENTURES JSC, LIEN KHUONG ITN'L JSC, DONG KINH CAPITAL JSC, LAC SON INVESTMENT JSC, CONG THANG ALPHA JSC, EASTERN VISION INVESTMENT JSC, TRUONG LUU CHI INVEST JSC, AN NAM PHU INVESTMENT JSC, ZION SON KIM JSC, SK INVESTMENT VINA IV PTE. LTD., SK MALAYSIA INVESTMENT I PTE. LTD., MSN INVESTMENT PTE. Ltd., SK Life Science, Inc., SK GI Management, SK MENA Investment B.V., SK Latin America Investment S.A., PLUTUS CAPITAL NY, INC., SK Pharmteco Inc., ABRASAX INVESTMENT INC., SK Siltron America, Inc, Atlas NY LLC, Halio, Inc., Kinestral Technology Taiwan Inc., SK BIOTEK IRELAND LIMITED, Fine Chemicals Holdings Corp., AMPAC Fine Chemicals, LLC, AMPAC Fine Chemicals Texas, LLC, AMPAC Fine Chemicals Virginia, LLC, SK SILTRON USA, INC., SK SILTRON CSS, LLC, SK Siltron CSS Korea Co., Ltd., EINSTEIN CAYMAN LIMITED, Tellus Investment Partners, Inc., I CUBE CAPITAL INC, Primero Protein LLC, Terra Investment Partners LLC, SK C&C USA, INC., Grove Energy Capital LLC, Crest Acquisition LLC, SK Life Science Labs, Inc., Grove Energy Capital II, LLC, Castanea Biosciences Inc., SK SIGNET AMERICA INC., SK SIGNET MANUFACTURING TEXAS LLC, SK innovation outpost Corporation, Freedom Circle Capital, INC, Montague ESG Capital, LLC, Hudson Energy NY, LLC, Hudson Energy NY II, LLC, Hudson Energy NY III, LLC, YPOSKESI, SAS, Saturn Agriculture Investment Co., Limited, SK Forest Co., Ltd., SK materials airplus Incorporated, Energy Solution Holdings Inc., Ackerton Partners Co., Ltd., Ackerton Technology Service Co., Ltd., SK C&C Beijing Co., Ltd., SK C&C Chengdu Co., Ltd., SK C&C India Pvt. Ltd., SK S.E.ASIA Pte. Ltd., ESSENCORE Limited, S&G Technology, Essencore (Shenzhen) Limited, Essencore Pte. Ltd., GigaX Europe kft., AIRPLUS ENGINEERING INCORPORATED, SK JNC Japan Co., Ltd., SK MATERIALS JAPAN, INC., SK materials Group14 Co., Ltd., Tillandsia, Inc., EVERTECH ENTERPRISE CO., LTD., Chamaedorea, Inc., Areca, Inc., 8Rivers Europe Ltd., 8Rivers 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, SK Auto Service Hong Kong Limited, SKY Property Management Ltd., SK Industrial Development

30. Related parties (cont'd)

	Related parties
	China Co., Ltd., Shanghai SKY Real Estate Development Co., Ltd, SK Technology Innovation Company, SK INVESTMENT VINA VI PTE. LTD., Digital Center Capital Inc., Martis Capital, LLC, KBA Investment Joint Stock Company, SUNRISE KIM INVESTMENT JOINT STOCK COMPANY, Grove Energy Capital IV, LLC, Energy Solution Group, Inc., Skyline Mobility, Inc, Atom Power, Inc., Atom technology, LLC, Terra Investment Partners II, LLC, Total Value 1 REIT Co., Ltd., SK Specialty Co., Ltd., SK Specialty Taiwan Co., Ltd., SK Specialty Jiangsu Co., Ltd., SK Specialty (Xian) Co., Ltd., SK Specialty Japan Co., Ltd., SK Networks Co., Ltd., SK Networks Service Co., Ltd., SK Magic Co., Ltd., SK Magic Service Co., Ltd., MINTIT Co., Ltd., Cartini, EN-CORE Co., Ltd., SK Networks (China) Holdings Co., Ltd., SK Networks (Shanghai) Co., Ltd., SK Networks (Dandong) Energy Co., Ltd., POSK(Pinghu) Steel Processing Center Co., Ltd., Shenyang SK Bus Terminal Co., Ltd., SK Networks Hong Kong Limited, SK Networks (Liaoning) Logistics Co., Ltd., SK Networks (Xiamen) Steel Processing Center Co., Ltd., SK Networks Japan Co., Ltd., SK MAGIC RETAILS MALAYSIA SDN. BHD, SK Magic Vietnam company limited, MINTIT VINA, Hico Capital LLC, HICO VENTURES I, L.P., HICO GP I, LLC, BOW-HICO SILICON VALLEY FUND, LP, HICO MANAGEMENT LLC, SK Networks Resources Pty Limited, Networks Tejarat Pars, SK BRASIL LTDA, SK Networks Resources Australia (Wyong) Pty Ltd., SK Telecom Co., Ltd., SK Telink Co., Ltd., SK Communications Co., Ltd., SK Broadband Co., Ltd., PS&Marketing Corp., Serviceace Co., Ltd., Service Top Co., Ltd., SK O&S Co., Ltd., SK telecom Japan Inc., SK Telecom China Holdings Co., Ltd., SK Telecom Americas Inc., YTK Investment Ltd., Atlas Investment, Ltd., Sapeon Korea Inc., SAPEON Inc., SK stoa Co., Ltd., Happy Hanool Co., Ltd., FSK L&S(Jiangsu) Co., Ltd., SK Telecom Innovation Fund, L.P., SK Telecom China Fund I L.P., Media S Co., Ltd., SK GLOBAL HEALTHCARE BUSINESS GROUP LTD., Home&Service Co., Ltd., SK Square Co., Ltd., SK M&Service Co., Ltd., Global AI Platform Corporation, Global AI Platform Corporation Korea Co., Ltd, Eleven Street Co., Ltd., FSK L&S Co., Ltd., Incross Co., Ltd., Tmap Mobility Co., Ltd., SK Square Americas, Inc., ROKMEDIA, One store Co., Ltd., SK Planet Co., Ltd., Dreamus Company, SK Planet, Inc., SCODYS PTE. LTD., YLP Inc., Good Service Co., Ltd., SK Planet Global Holdings Pte. Ltd., SEOUL AIRPORT LIMOUSINE, ONESTORE GLOBAL PTE. LTD., LOGISOFT, Iriver Enterprise Ltd., TGC Square Pte. Ltd., Iriver CHINA CO., LTD., DongGuan Iriver Electronics Co., Ltd., id Quantique SA, LIFE DESIGN COMPANY INC., FSK L&S (Hungary) Co., Ltd., FSK L&S (Vietnam) Co., Ltd., ID Quantique Limited, ID Quantique Limited, UK, ID Quantique Inc, USA, Infracommunications Co., Ltd., Mindknock Co., Ltd., Nutshell Quantum-Safe GmbH,Alice und Bob Privatstiftung, FSK L&S (America) Co., Ltd., One Store International Holding B.V., FSK L&S (Shanghai) Co., Ltd., 11street China Co., Ltd., Center For Breakthrough Medicines Holdings, LLC, Center For Breakthrough Medicines, LLC, MiraiTech Inc., Renewlogis Industry Co., Ltd., SG (Solar Green) Vina Company Limited, H Solution Co., Ltd., KCE MI 6, LLC, KCE TX 33, LLC, SK Enterm Co., Ltd, PLANETA PTE. LTD., KCE NY 41, LLC, KCE NY 42, LLC, KCE MA 5, LLC, KCE PF Holdings 2024, LLC, E&S CITYGAS CO., LTD., E&S CITYGAS BUSAN CO., LTD., SK speedmate Co., Ltd., PHNYX LAB LLC
Associates	Standigm Inc., PUMP Co., Ltd., 9352-7281 Quebec Inc., Visible Patient S.A.S., Belstar Superfreeze Holdings, LLC, Hummingbird Bioscience Holdings Pte., Ltd., Mozido Corfire, Inc., Wave City Co., Ltd. Todo Works Corp., The Wave Talk, Inc., DSK EV Investment, SMCORE Inc., ACRYL Inc., Cloocus Co., Ltd., TWO LINE CODE Inc., FSK Holdings Co., Ltd., Daehan Kanggun BcN Co., Ltd., Swift Navigation, Inc., TBU Inc., A4x Inc., Superblock Co., Ltd., Soft berry Inc., VantAI Holdings, Inc., Team Blackbird, Inc., LTCAM Co., Ltd., ION Clean Energy, Inc.
Other related parties (*1)	SK Hynix Inc., SK Gas Co., Ltd., SK Chemicals Co., Ltd., SK Shieldus Co., Ltd, Daehan Oil Pipeline Co., Ltd., Ulsan Aromatics Co., Ltd., Korea Nexlene Company, PT. Patra SK, BLOOM SK FUEL CELL, LLC, ENCORED TECHNOLOGIES, INC., SK Telesys, Co., Ltd., SKC Hi-Tech & Marketing Ltd., Ubins Co., Ltd., SK Advanced Co., Ltd., Dangjin eco power corporation, Jeonnam Offshore Wind Power Co., Ltd., SK Gas International Pte. Ltd., SK Discovery Co., Ltd., SK D&D Co., Ltd., SK BIOSCIENCE Co., Ltd., SK Plasma Co., Ltd., HAPPYNARAE Co., Ltd., SK Electlink Co., Ltd., Key Foundry Co., Ltd., F&U Credit Information, Konan Technology Incorporation, SK Hystec Inc., SK Hyeng Inc., SK Hynix Semiconductor (China) Ltd., SK Hynix semiconductor(Chongqing) Ltd., SK Hynix (Wuxi) Semiconductor Sales Ltd., SK Hynix Happiness (Wuxi) Hospital Management Ltd., SK Hynix system ic (wuxi) Co., Ltd., Huizhou EVE United Energy Co., Ltd, SK Hynix

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

30. Related parties (cont'd)

Related parties

America Inc., SK Hynix system IC Inc., Content Wavve Corp., Happymore Inc., SK multi utility Co., Ltd., SkyHigh Memory Limited, SK TBMGEOSTONE Co., Ltd., CAPSTEC Co., Ltd. and others

(*1) Not designated as disclosure of related parties as defined in paragraph 9 of K-IFRS No. 1024, but includes the entity designated as related parties based on the resolution made by the Securities and Futures Commission that conglomerate affiliates designated by the Fair Trade Commission are related parties based on the substance of relation as regulated by paragraph 10 of K-IFRS No. 1024.

(2) Details of significant financial transactions with the related parties for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	Company name	September 30, 2024			
		Sales and others (*1)		Expenses and others (*2)	
		Three-month	Nine-month	Three-month	Nine-month
Subsidiaries	SK Innovation Co., Ltd.	₩ 26,998	₩ 63,276	₩ 5,234	₩ 8,437
	SK Energy Co., Ltd.	27,700	83,643	-	94
	SK Geo Centric Co., Ltd.	8,965	27,242	-	-
	SK Incheon Petrochem Co., Ltd.	7,158	20,938	-	-
	SK Enmove Co., Ltd.	3,815	11,443	-	-
	SK On Co., Ltd.	21,456	71,114	-	-
	SK On Hungary Kft.	6,423	23,152	-	-
	SK ON(Yancheng) Co., Ltd.	17,502	33,853	-	-
	SK Mobile Energy Co., Ltd.	89	279	31	93
	SK Americas, Inc.(Formerly SK USA, Inc.)	372	403	-	845
	SK Ecoplant Co., Ltd.	9,695	25,269	38	38
	SKC Co., Ltd.	1,181	3,121	-	-
	SK E&S Co., Ltd.	8,276	373,082	-	-
	SK Telecom Co., Ltd.	160,989	465,931	2,519	7,519
	SK Broadband Co., Ltd.	33,062	92,745	2,064	6,136
	SK Planet Co., Ltd.	4,184	11,785	-	65
	SK Square Co., Ltd.	881	2,630	-	-
	SK Networks Co., Ltd.	19,547	53,534	629	3,337
	SK Magic Co., Ltd.	2,913	9,909	63	185
	SK Specialty Co., Ltd.	1,820	65,320	124	704
	SK Tri Chem Co., Ltd.	212	7,079	-	-
	SK Siltron Co., Ltd.	7,454	20,085	-	-
	SK Pinx Co., Ltd.	54	199	128	3,879
	SK REIT Co., Ltd.	5,810	19,621	13,956	34,897
	PLUTUS CAPITAL NY, INC.	1,940	5,916	-	-
	SK Materials airplus Inc.	420	51,256	-	-
	SK Pharmteco Inc.	131	390	-	-
	SK S.E.ASIA pte., Ltd.	-	51,023	-	-
	SK C&C Beijing Co., Ltd.	1,392	4,289	2,975	7,427
	SK C&C USA, Inc.	51,337	257,898	-	-
	Others	44,758	142,766	11,361	27,533
	Associates	SMCore Inc.	-	53	7,747
CLOOCUS Co., Ltd.		-	-	9,166	36,465
TWO LINE CODE Inc.		-	-	784	1,680
Others		1	2	-	-
Other related parties(*3)	SK hynix Inc.	84,501	235,754	4,082	11,868
	SK Gas Co., Ltd.	4,278	13,475	-	-
	SK Chemicals Co., Ltd.	2,112	7,409	-	-
	SK Shieldus Co., Ltd.	7,527	16,448	6,341	18,741
	Others	9,090	31,789	556	2,199
		<u>₩ 584,043</u>	<u>₩ 2,304,121</u>	<u>₩ 67,798</u>	<u>₩ 215,954</u>

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

30. Related parties (cont'd)

		September 30, 2023			
		Sales and others (*1)		Expenses and others (*2)	
	Company name	Three-month	Nine-month	Three-month	Nine-month
Subsidiaries	SK Innovation Co., Ltd.	₩ 17,295	₩ 49,453	₩ 1,953	₩ 5,473
	SK Energy Co., Ltd.	23,988	87,941	-	-
	SK Geo Centric Co., Ltd.	10,371	31,229	-	-
	SK Incheon Petrochem Co., Ltd.	6,461	18,724	-	-
	SK Enmove Co., Ltd.	3,382	9,932	-	-
	SK On Co., Ltd.	27,758	67,353	-	-
	SK On Hungary Kft.	10,863	72,347	-	-
	SK ON(Yancheng) Co., Ltd.	42,443	95,992	-	-
	SK Mobile Energy Co., Ltd.	70	247	17	66
	SK Americas, Inc.(Formerly SK USA, Inc.)	8	25	722	2,946
	SK Ecoplant Co., Ltd.	8,679	34,613	-	-
	SKC Co., Ltd.	1,257	21,841	-	-
	SK E&S Co., Ltd.	8,605	501,084	-	-
	SK Telecom Co., Ltd.	164,840	466,776	3,175	9,440
	SK Broadband Co., Ltd.	23,547	76,449	1,967	6,061
	SK Planet Co., Ltd.	3,188	10,011	123	123
	SK Square Co., Ltd.	1,413	3,742	-	-
	SK Networks Co., Ltd.	6,582	31,344	591	4,162
	SK Magic Co., Ltd.	3,004	10,660	62	183
	SK Specialty Co., Ltd.	1,495	154,994	245	611
	SK Tri Chem Co., Ltd.	158	45,994	24	71
	SK Siltron Co., Ltd.	6,753	20,038	-	-
	SK Pinx Co., Ltd.	62	168	131	3,847
	SK REIT Co., Ltd.	5,603	16,802	11,642	31,681
	SK Materials airplus Inc.	412	303,082	-	-
	SK Pharmteco Inc.	117	348	-	-
	SK C&C Beijing Co., Ltd.	387	5,868	2,178	6,978
	SK C&C USA, Inc.	17,409	86,855	-	6
	Others	41,580	129,648	1,671	5,635
	Associates	THiRA-UTECH Co., Ltd.	-	-	518
SMCore Inc.		32	491	22,320	50,557
CLOOCUS Co., Ltd.		-	-	10,451	15,820
TWO LINE CODE Inc.		-	-	533	812
Others		2,838	10,687	862	3,557
Other related parties(*3)	SK hynix Inc.	75,998	250,754	3,925	11,311
	SK Gas Co., Ltd.	6,456	13,938	-	-
	SK Chemicals Co., Ltd.	1,672	4,490	-	-
	SK Shieldus Co., Ltd.	2,861	9,378	4,703	13,465
	Others	6,819	40,031	376	982
		<u>₩ 534,406</u>	<u>₩ 2,683,329</u>	<u>₩ 68,189</u>	<u>₩ 176,186</u>

(*1) Consists of dividends income received from subsidiaries and others, trademark usage income, rental income and others.

(*2) Consists of rental expenses, outsourcing costs and others.

(*3) Not designated as disclosure of related parties as defined in paragraph 9 of K-IFRS No. 1024, but includes the entity designated as related parties based on the resolution made by the Securities and Futures Commission that conglomerate affiliates designated by the Fair Trade Commission are related parties based on the substance of relation as regulated by paragraph 10 of K-IFRS No. 1024.

SK Inc.
Notes to the condensed separate interim financial statements
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30. Related parties (cont'd)

(3) Details of outstanding balances of receivables and payables with the related parties as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

		September 30, 2024		
Company name		Receivables and others	Payables and others	
Subsidiaries	SK Innovation Co., Ltd.	₩ 276,666	₩ 25,855	
	SK Energy Co., Ltd.	4,670	12	
	SK Geo Centric Co., Ltd.	4,736	3	
	SK Incheon Petrochem Co., Ltd.	1,246	3	
	SK Enmove Co., Ltd.	522	2	
	SK On Co., Ltd.	9,137	6,741	
	SK Mobile Energy Co., Ltd.	22	34	
	SK On Hungary Kft.	13,407	1,295	
	SK On(YANCHENG) Co., Ltd.	19,339	1,603	
	SK Americas, Inc.(Formerly SK USA, Inc.)	-	-	
	Plutus Capital NY, Inc.	519,912	-	
	SK Ecoplant Co., Ltd.	5,320	263	
	SKC Co., Ltd.	3,104	-	
	SK E&S Co., Ltd.	4,147	38,732	
	SK Pinx Co., Ltd.	51	12	
	SK REIT Co., Ltd.	34,709	245,708	
	SK C&C Beijing Co., Ltd.	3,849	115	
	SK C&C USA, Inc.	105,542	32,065	
	SK Networks Co., Ltd.	14,390	106	
	SK Magic Co., Ltd.	2,980	624	
	SK Telecom Co., Ltd.	68,507	3,998	
	SK Broadband Co., Ltd.	40,623	1,077	
	SK Planet Co., Ltd.	4,071	25	
	SK Square Co., Ltd.	330	-	
	SK Specialty Co., Ltd.	975	137	
	SK Materials airplus Inc.	314	163	
	SK Tri Chem Co., Ltd.	228	165	
	SK Siltron Co., Ltd.	11,163	425	
	Others	104,254	15,587	
	Associates	SMCore Inc.	53	378
		CLOOCUS Co., Ltd.	-	7,480
		TWO LINE CODE Inc.	-	110
	Other related parties (*1)	SK hynix Inc.	146,511	17,063
SK Gas Co., Ltd.		1,809	405	
SK Chemicals Co., Ltd.		2,726	224	
SK Shieldus Co., Ltd.		21,845	5,100	
Others		14,669	4,856	
		₩ 1,441,827	₩ 410,366	

		December 31, 2023	
Company name		Receivables and others	Payables and others
Subsidiaries	SK Innovation Co., Ltd.	₩ 287,751	₩ 29,052
	SK Energy Co., Ltd.	10,947	95
	SK Geo Centric Co., Ltd.	10,892	1
	SK Incheon Petrochem Co., Ltd.	2,255	288
	SK Enmove Co., Ltd.	2,398	267
	SK On Co., Ltd.	26,853	14,352
	SK Mobile Energy Co., Ltd.	10	46
	SK On Hungary Kft.	12,311	8,580
	SK On(YANCHENG) Co., Ltd.	20,246	20,074
	SK Americas, Inc.(Formerly SK USA, Inc.)	-	542
	Plutus Capital NY, Inc.	501,058	-
	SK Ecoplant Co., Ltd.	8,292	2,826
	SKC Co., Ltd.	2,699	8

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

30. Related parties (cont'd)

		December 31, 2023	
Company name		Receivables and others	Payables and others
Subsidiaries	SK E&S Co., Ltd.	₩ 3,737	₩ -
	SK Pinx Co., Ltd.	38	27
	SK REIT Co., Ltd.	26,823	291,514
	SK C&C Beijing Co., Ltd.	601	1,210
	SK C&C USA, Inc.	76,950	56,587
	SK Networks Co., Ltd.	4,079	120
	SK Magic Co., Ltd.	3,110	600
	SK Telecom Co., Ltd.	88,263	6,609
	SK Broadband Co., Ltd.	24,845	2,910
	SK Planet Co., Ltd.	2,720	67
	SK Square Co., Ltd.	2,115	-
	SK Specialty Co., Ltd.	1,292	3,159
	SK Materials airplus Inc.	399	171
	SK Tri Chem Co., Ltd.	288	179
	SK Siltron Co., Ltd.	8,700	11
Others	74,488	23,693	
Associates	THiRA-UTECH Co., Ltd.	-	66
	SMCore Inc.	173	2,925
	TWO LINE CODE Inc.	-	131
Other related parties (*1)	SK hynix Inc.	114,881	23,263
	SK Gas Co., Ltd.	2,725	497
	SK Chemicals Co., Ltd.	3,491	632
	SK Shieldus Co., Ltd.	23,111	4,282
	Others	12,195	2,109
		₩ 1,360,736	₩ 496,893

(*1) Not designated as disclosure of related parties as defined in paragraph 9 of K-IFRS No. 1024, but includes the entity designated as related parties based on the resolution made by the Securities and Futures Commission that conglomerate affiliates designated by the Fair Trade Commission are related parties based on the substance of relation as regulated by paragraph 10 of K-IFRS No. 1024.

(4) Details of dividends received from related parties for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

		For the nine-month period ended	
Company name		September 30, 2024	September 30, 2023
Subsidiaries	SK Innovation Co., Ltd.	₩ -	₩ 105,674
	SK Telecom Co., Ltd.	177,961	163,514
	SK Networks Co., Ltd.	29,143	11,657
	SK Ecoplant Co., Ltd.	-	9,419
	SKC Co., Ltd.	-	16,929
	SK E&S Co., Ltd.	348,586	481,597
	SK Tri Chem Co., Ltd.	6,500	45,500
	SK Materials airplus Inc.	50,000	300,002
	SK Resonac Corporation	1,532	10,200
	SK Materials Performance Co., Ltd.	2,001	-
	SK REIT Co., Ltd.	19,525	17,412
	SK REITs Management Co., Ltd.	13,000	-
	SK Specialty Co., Ltd.	60,000	150,000
	SK C&C Beijing Co., Ltd.	-	4,960
	SK S.E.Asia Pte. Ltd	51,023	-
Associates	SMCore Inc.	-	373
Other related parties	SK materials renewtech Co.,Ltd(*1)	-	20,000
		₩ 759,271	₩ 1,337,237

(*1) For the year ended December 31 2023, SK Materials Renewtech Co., Ltd. was merged with SK Materials airplus Inc. and was excluded from the subsidiary.

SK Inc.
Notes to the condensed separate interim financial statements
September 30, 2024 and 2023

30. Related parties (cont'd)

(5) Details of the loan with related parties for nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions, and foreign currencies in thousands):

		For the nine-month period ended September 30, 2024							
		Company name	Division	Currency	Beginning balance	Loan	Collection	Other	Ending balance
Subsidiaries		Socar Mobility	Short-term loans	USD	20,000	10,000	-	-	30,000
		Malaysia, Sdn. Bhd							
Subsidiaries		Plutus Capital	Short-term loans	USD	388,500	-	-	-	388,500
		NY, Inc.							
Subsidiaries		SK materials	Short-term loans	KRW	-	16,000	-	-	16,000
		Group14 Co., Ltd.							
		For the nine-month period ended September 30, 2023							
		Company name	Division	Currency	Beginning balance	Loan	Collection	Other	Ending balance
Subsidiaries		Socar Mobility	Short-term loans	USD	-	20,000	-	-	20,000
		Malaysia, Sdn. Bhd							
Subsidiaries		Plutus Capital	Long-term loans	USD	388,500	-	-	-	388,500
		NY, Inc.							

(6) Detail of significant transactions with related parties in relation to the investments for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions, and foreign currencies in thousands):

				For the nine-month period ended	
		Company name	Currency	September 30, 2024	September 30, 2023
Subsidiaries		SK Innovation Co., Ltd.	KRW	Share capital increase	393,942
		SK Americas, Inc. (Formerly, SK USA, Inc.)	USD	Share capital increase	9,913
		Tellus Investment Partners, Inc.	USD	Share capital increase	5,735
		Auxo Capital Inc.	USD	Share capital increase	6,150
		Chamaedorea Inc.	USD	Share capital increase	39,826
		Plutus Capital NY, Inc.	USD	Share capital increase	-
		Energy Solution Group, Inc.	USD	Share capital increase	-
		Tilandsia, Inc.	USD	Share capital increase	-
		Castanea Bioscience Inc.	USD	Share capital decrease	-
		SK Life Science Labs, Inc. (Formerly, ProteoVant Sciences, Inc.)	USD	Share capital decrease	-
		I Cube Capital Inc.	USD	Share capital increase	140
		Ackerton Partners Co., Ltd.	KRW	Share capital increase	-

(7) Detail of compensation for key management personnel of the Company for the three-month periods and nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	September 30, 2024		September 30, 2023	
	Three months	Nine months	Three months	Nine months
Salaries	₩ 2,398	₩ 7,567	₩ 5,067	₩ 13,907
Retirement allowance	657	2,140	1,071	3,307
Share compensation expense	(446)	(789)	(938)	(8,315)
	₩ 2,609	₩ 8,918	₩ 5,200	₩ 8,899

31. Assets held for sales

(1) Outline

As the Company decided to sell all of its shares in ESR Cayman Limited, it classified the shares as assets to be sold, and measured them as the smaller of the net fair value and the book value after deducting the additional cost of the sale.

As the Company decided to sell the entire stake of Socar Co., Ltd., it classified the stake as an asset to be sold and measured it as the smaller of the net fair value and the book value after deducting the additional cost of the sale from the fair value. Meanwhile, the Company has completed the sale of some of its shares (2,936,225 shares) during the September 30, 2024, and the profit or loss of disposal recognized in connection with the sale of the shares is ₩20,847 million.

As the Company decided to sell all of its shares in Grab holdings Limited and THiRA-UTECH Co., Ltd. it classified the shares as assets held for sale, and measured them as the smaller of the net fair value and the book value after deducting the costs of sell.

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

	<u>September 30, 2024</u>	
Assets held for sale:		
Investment securities (*1)	₩	304,060
Investment in associates (*2)		<u>52,558</u>
	₩	<u>356,618</u>

(*1) As of September 30, 2024, the book value includes ₩43,401 million in valuation gain on the investment securities.

(*2) As of September 30, 2024, the book value includes ₩7,431 million in reversal of impairment loss.

	<u>December 31, 2023</u>	
Assets held for sale:		
Investment securities (*1)	₩	174,725
Investment in associates (*2)		<u>90,436</u>
	₩	<u>265,161</u>

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

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

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32. Cash flow information

(1) Costs and revenues without the inflow and outflow of cash for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
Retirement allowance	₩ 32,521	₩ 28,960
Depreciation	76,577	74,768
Amortization	22,365	23,821
Bad debt expenses (reversal)	61	(1,500)
Provisions transferred in	4,185	4,060
Interest expenses	311,248	301,615
Loss on foreign currency translation	33,793	23,564
Loss on valuation of financial assets measured at FVTPL	57,872	111,884
Loss on valuation of derivative instruments	27,398	87,089
Loss on disposal of investments in subsidiaries and associates	-	769
Loss on impairment of investments in subsidiaries and associates	30,680	253,176
Loss on impairment of investments in subsidiaries and associates reversal	(9,434)	-
Loss on disposal of property, plant and equipment	599	2
Loss on disposal of intangible assets	392	63
Loss on impairment of intangible assets	18,100	21,686
Share-based payment expenses reversal	(789)	(8,315)
Income tax benefit	(18,920)	(27,224)
Dividends income	(761,500)	(1,340,672)
Interest income	(26,986)	(23,580)
Gain on foreign currency translation	(41,662)	(33,751)
Gain on valuation of financial assets measured at FVTPL	(43,720)	(12,053)
Gain on valuation of derivative instruments	(5,323)	(88,928)
Gain on disposal of investments in subsidiaries and associates	(34,072)	-
Gain on disposal of property, plant and equipment	(203)	(217)
Gain on disposal of intangible assets	(10,316)	(16)
Others	(3,601)	67
	₩ (340,735)	₩ (604,732)

(2) Changes in assets and liabilities due to operating for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
Trade receivables	₩ (66,079)	₩ 63,791
Other receivables	42,230	(5,965)
Inventories	(8)	(58)
Advanced payments	(8,794)	(46,911)
Lease receivables	29,525	27,436
Prepaid expenses	9,491	(49,153)
Trade payables	14,015	(38,619)
Advances received	(13,574)	91,665
Withholdings	(3,982)	(10,382)
Other payables	(5,069)	(57,055)
Accrued expenses	(80,996)	60,602
Leasehold deposits received	-	359
Provision	(190)	(3,147)

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32. Cash flow information (cont'd)

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
Defined benefit obligation	₩ (94,044)	₩ (18,919)
Plan assets	97,781	18,376
Others	22,604	67,162
	₩ (57,090)	₩ 99,182

(3) Important investment and financial activities that do not involve the use of cash and cash equivalents for the nine-month periods ended September 30, 2024 and 2023 are as follows (Korean won in millions):

	For the nine-month period ended	
	September 30, 2024	September 30, 2023
Transfer of long-term bonds payable to current-portion	₩ 1,183,717	₩ 1,154,203
Increase(Decrease) in other payables regarding the acquisition of property, plant and equipment	(961)	6,168
Transfer of loans to current-portion	(500,980)	(105)

33. Commitments and contingencies

(1) Pending litigation

There is no major pending litigation as of September 30, 2024.

(2) The notes and checks that the Company is providing as of September 30, 2024 are as follows (Korean won in millions and except for number of papers):

	Papers	Par value
Blank checks	7	₩ -
Blank notes	10	-

(3) Guarantees and collateral details provided by third parties as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	Currency	September 30, 2024	December 31, 2023
Seoul Guarantee Insurance	KRW	15,636	14,022
Korea Software Financial Cooperative	KRW	596,162	585,609

(4) Significant commitments

- 1) SK Innovation Co., Ltd., SK Energy Co., Ltd., SK Geo Centric Co., Ltd., SK Enmove Co., Ltd., SK Incheon Petrochem Co., Ltd., SK Trading International Co., Ltd., SK Enterm Co., Ltd, SK ie technology Co., Ltd., SK On Co., Ltd. and SK Earth On Co., Ltd. are collectively responsible for any obligations arising before the spin-off and split-off on July 1, 2007. The Company and SK Biopharmaceuticals Co., Ltd. are collectively responsible for any obligations that occurred before the spin-off on April 1, 2011. The former SK Materials Co., Ltd. is jointly responsible for any obligations before the split-off, with SK Specialty Co., Ltd., which was physically divided as of December 1, 2021.

33. Commitments and contingencies (cont'd)

- 2) The Company 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 company has the option of extending the lease contract by five years before the end of the contract. On the other hand, the company has been granted preferential purchase rights for lessor to purchase the building at fair prices when it is sold.
- 3) The Company has signed IT outsourcing and IT System Maintenance contracts with SK Group affiliates to maintain, develop IT system and supply hardware.
- 4) The Company has total return swap contracts in regards to SK Shipping Co., Ltd.'s issuance of ordinary shares and sale of existing shares, and details are as follows:

Description	Subscription of new shares	Sale of existing shares
Investor	Special Situation 1 st Fund and others	Corporate Turnaround 1 st Fund
Number of shares	6,548,672	4,808,259
Contract date	March 30, 2022	March 30, 2022
Expiry date	April 13, 2027	May 11, 2027
Settlement	The Company and the investors settle the amount that deducts the issue price from the net selling price in cash. If the amount is positive, the investor shall pay to the Company, and if the amount is negative, the Company shall pay to the investor. In case where the sale is not complete, the selling price of the shares is considered to be "0".	
Premium	The Company shall pay to the investors the amount equivalent to 3.899% of the total shares held by investors every 3-months. When the investor receives dividends on the shares held, the amount shall be paid to the Company.	
Call option	On every first year between the end of the investment and the expiration date, the Company may request the purchase of the contract amount of ordinary shares held by the investor plus a certain level of additional charges.	

- 5) The Company entered into total return swap contracts with ordinary share investors of SK Siltron Co., Ltd., one of the subsidiaries, and details are as follows:

Description	Total return swap contracts
Investor	Warmachine Sixth Co., Ltd. and others
Number of shares	13,140,440
Contract date	August 16, 2022
Expiry date	August 30, 2027
Settlement	The Company and the investors settle the amount that deducts the issue price from the net selling price in cash. If the amount is positive, the investor shall pay to the Company, and if the amount is negative, the Company shall pay to the investor. In case where the sale is not complete, the selling price of the shares is considered to be "0".
Premium	The Company shall pay 0.5% of the initial contract amount within 5 operating days from the effective date of contract and shall pay to the investors the amount equivalent to 4.948% of the total shares held by investors on a three-month basis. When the investor receives dividends on the shares held, the amount shall be paid to the Company.
Call option	On a three-month basis from the effective date of contract ("the quarterly payment day"), the Company has the right to purchase the shares held by the investors at the initial contract price of the ordinary shares with certain level of additional charges.

33. Commitments and contingencies (cont'd)

- 6) The Company entered into total return swap contracts with ordinary share investors of SK E&S Co., Ltd., one of the subsidiaries, and the details are as follows:

Description	Total return swap contracts
Investor	MD Prime 1st Co., Ltd. and others
Number of shares	4,640,199
Contract date	November 04, 2022
Expiry date	November 16, 2027
Settlement	The Company and the investors settle the amount that deducts the issue price from the net selling price in cash. If the amount is positive, the investor shall pay to the Company, and if the amount is negative, the Company shall pay to the investor. In case where the sale is not complete, the selling price of the shares is considered to be "0".
Premium	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 Company 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 Company.
Call option	On each premium payment date (every three months from the effective date of this contract), the Company may claim all remaining underlying assets (ordinary shares that SK E&S issued and an investor purchased from the Company) to the remaining contract amount of the underlying assets plus the call option exercise fee, securities exchange tax, and special tax for rural development.

- 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 September 30, 2024, SK E&S Co., Ltd., a subsidiary, is responsible for performance guarantee in case of LNG Americas, Inc.'s inability to make payments for service or for claims against breach of obligation. In regard to this, the Company provides performance guarantee for SK E&S Co., Ltd.'s guarantee.
- 8) The Company entered into a cash deficiency support agreement with Hudson Energy NY, LLC, a subsidiary of Plutus Capital NY, Inc., to lend funds for the shortfall of payment for loans and credit limit of USD 236,000 thousand.
- 9) The Company entered into a cash deficiency support agreement with Abrasax Investment Inc., a subsidiary of SK Pharmteco Inc., which is a subsidiary of the Company, to lend funds for the shortfall of payment for loans and credit of up to USD 315,000 thousand.
- 10) The Company has entered into an agreement between shareholders with Resonac Holdings Corporation in relation to the investment in subsidiary SK Resonac Co., Ltd., and Resonac Holdings Corporation has the right to sell 630,000 shares (15%) of SK Resonac Co., Ltd. at ₩5,000 per share in the event of a specific case of this agreement.
- 11) The Company has entered into an agreement with certain shareholders of SK Signet Inc., a subsidiary, in which the shareholders can sell their shares to the Company at ₩50,000 per share when certain conditions are met.

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34. Financial risk management

(1) Outline

The principal financial liabilities of the Company comprise borrowings, bonds, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. Further, the Company has various financial assets, including trade and other receivables that are directly related to its operations.

The Company's financial assets and liabilities are exposed to mainly credit risk, liquidity risk and market risk. The Company's key management is responsible for the Company's financial risk-taking activities, and that such activities are governed by appropriate policies and procedures.

(2) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

The carrying amount of financial assets measured at amortized cost, represents the maximum exposure to credit risk. The maximum exposures to credit risk as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>September 30, 2024(*1)</u>	<u>December 31, 2023(*1)</u>
Financial assets measured at FVTPL	₩ 483,205	₩ 481,417
Financial assets measured at amortized cost	<u>1,378,227</u>	<u>1,390,629</u>
	<u>₩ 1,861,432</u>	<u>₩ 1,872,046</u>

(*1) Equity products are excluded from the table above because they are not associated with credit risk and refer to the separate notes for payment guarantee details.

(3) Liquidity risk

Liquidity risk refers to the risk that the Company may default on the contractual obligations as they become due. The Company manages its risk to a shortage of funds through the use of a recurring liquidity planning tool.

The contractual maturity of financial liabilities (including interest payments) as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>September 30, 2024</u>				
	<u>Less than 3 months</u>	<u>3 ~ 12 months</u>	<u>1 ~ 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
Borrowings	₩ 2,339,059	₩ 748,084	₩ 462,425	₩ -	₩ 3,549,568
Bonds	395,622	1,335,022	5,177,768	1,102,406	8,010,818
Financial derivatives liabilities	8	13,846	250,904	-	264,758
Trade payables	139,513	-	-	-	139,513
Lease liabilities	21,530	46,449	195,766	92,884	356,629
Other liabilities	69,440	428	138	26,729	96,735
	<u>₩ 2,965,172</u>	<u>₩ 2,143,829</u>	<u>₩ 6,087,001</u>	<u>₩ 1,222,019</u>	<u>₩ 12,418,021</u>
	<u>December 31, 2023</u>				
	<u>Less than 3 months</u>	<u>3 ~ 12 months</u>	<u>1 ~ 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
Borrowings	₩ 1,776,440	₩ 1,599,387	₩ 506,916	₩ -	₩ 3,882,743
Bonds	484,851	1,214,412	4,865,874	1,443,798	8,008,935
Financial derivatives liabilities	27	780	250,904	-	251,711
Trade payables	125,799	-	-	-	125,799
Lease liabilities	20,260	60,671	203,568	115,443	399,942
Other liabilities	117,039	723	196	24,191	142,149
	<u>₩ 2,524,416</u>	<u>₩ 2,875,973</u>	<u>₩ 5,827,458</u>	<u>₩ 1,583,432</u>	<u>₩ 12,811,279</u>

34. Financial risk management (cont'd)

(4) Market risk

Market risk is the risk that the fair value of financial instruments will fluctuate because of changes in market prices. Market risk consists of currency risk, interest rate risk, and other price risks.

(4.1) Foreign currency risk

Foreign currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to currency risk primarily through sales and purchases. The Company measures its foreign currency risk due to fluctuations in the Korean Won exchange rate periodically.

The details of significant monetary assets and liabilities denominated in foreign currencies as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions, and foreign currencies in thousands):

	Currency	September 30, 2024		December 31, 2023	
		Korea won equivalent	Foreign currencies	Korea won equivalent	Foreign currencies
Assets	USD	₩ 650,352	492,840	₩ 612,899	475,337
	JPY	-	-	168	18,421
	CNY	16,143	85,530	22,132	122,387
	EUR	1,441	978	2,703	1,895
	Others	2,216		381	
Liabilities	USD	₩ 1,101	835	₩ 18,304	14,196
	JPY	92	10,000	-	-
	CNY	168	892	1,148	6,350
	EUR	15	10	191	134
	Others	4		1	

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

Currency	September 30, 2024		December 31, 2023	
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	₩ 47,785	₩ (47,785)	₩ 43,762	₩ (43,762)
JPY	(7)	7	12	(12)
CNY	1,176	(1,176)	1,544	(1,544)
EUR	105	(105)	185	(185)
Others	163	(163)	28	(28)

34. Financial risk management (cont'd)

(4.2) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company's risk hedging activities are evaluated periodically in order to consider the status of interest rates and degree of risk aversion and fulfill optimal risk hedging strategies. The Company's management believes that the fluctuation in market interest rate other than those mentioned above does not have a material impact on the Company's financial statements.

(4.3) Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices other than from interest rate risk and foreign currency risk.

(5) Capital management

The fundamental goal of capital risk management is to maintain a solid financial structure. In addition, as the Company is a holding company, it should maintain a debt ratio of less than 200% under Article 18 of the *Monopoly Regulations and Fair Trade Law*. The debt ratio is calculated as total liabilities divided by total equity.

The Company maintains a debt ratio of 77.02% as of September 30, 2024. The maturity of the debt is dispersed in the long-term and the borrowings mainly consist of long-term bonds, which do not present significant risks for unexpected payment for debts.

The Company's debt ratios as of September 30, 2024 and December 31, 2023 are as follows (Korean won in millions):

	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Total liabilities	₩ 12,416,477	₩ 12,720,870
Total equity	16,120,602	15,918,046
Debt ratio	77.02%	79.91%

35. Events after the reporting period

SK Japan Inc., a subsidiary, resolved a capital reduction of 4,000,004 shares at an extraordinary general meeting of shareholders on October 28, 2024, at a price of JPY 6,325 per share (approximately JPY 25.3 billion).