

SK telecom

**CEO
Investor
Day
2022**

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SKT 2.0

(CEO Investor day)

Content

- 1. SKT 2.0**
- 2. Business Direction of the
Five Business Groups**
- 3. Enhancing Shareholder Value**
- 4. End Picture**

After a successful spin-off to maximize shareholder value by unlocking value and clearly defining corporate identity,



2022 marks a new starting line.

| What the market expects |

Stable returns and growth upside

"The biggest driver for investment in SKT after the spin-off is stable dividend income"

Stability



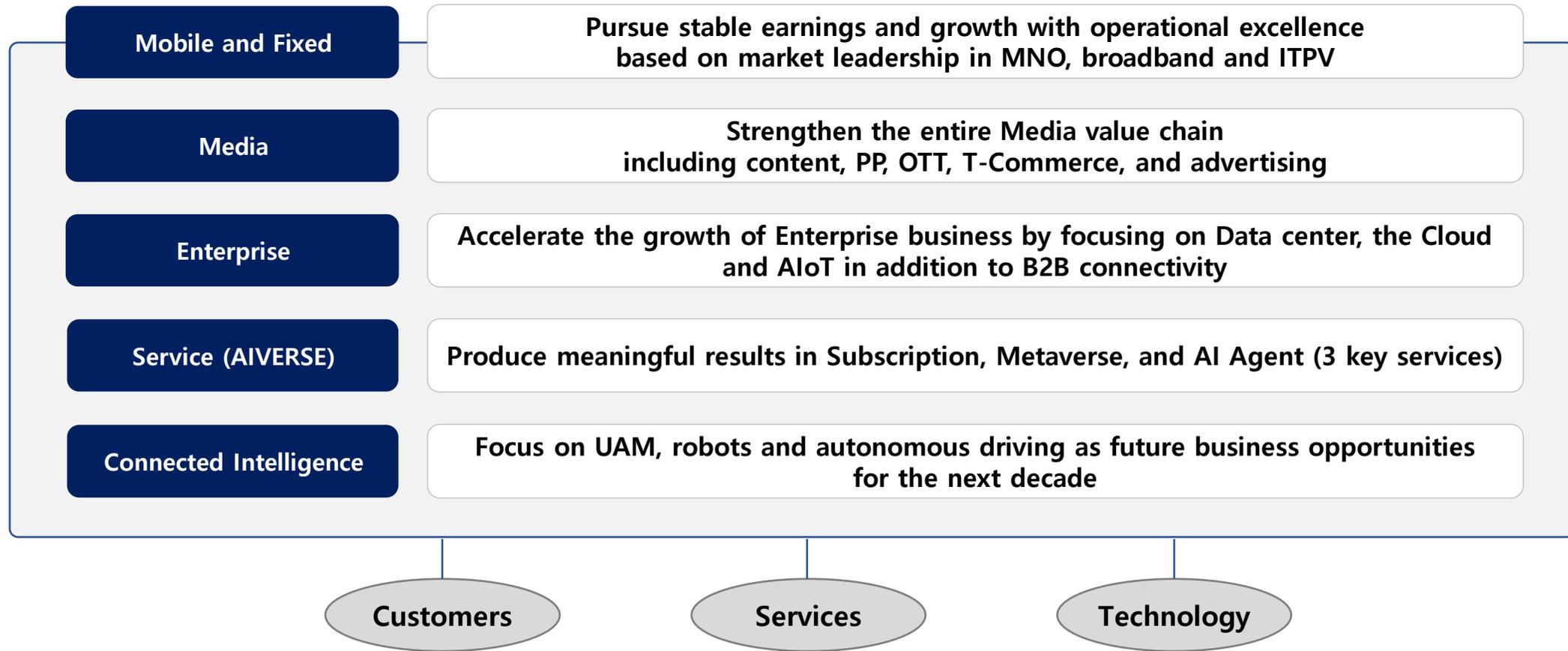
"Solid revenue growth expected with 5G migration, with upside potential from stable competition"

Growth

"SKT is making a fresh start, with the expansion of the new growth businesses and earnings growth expected"



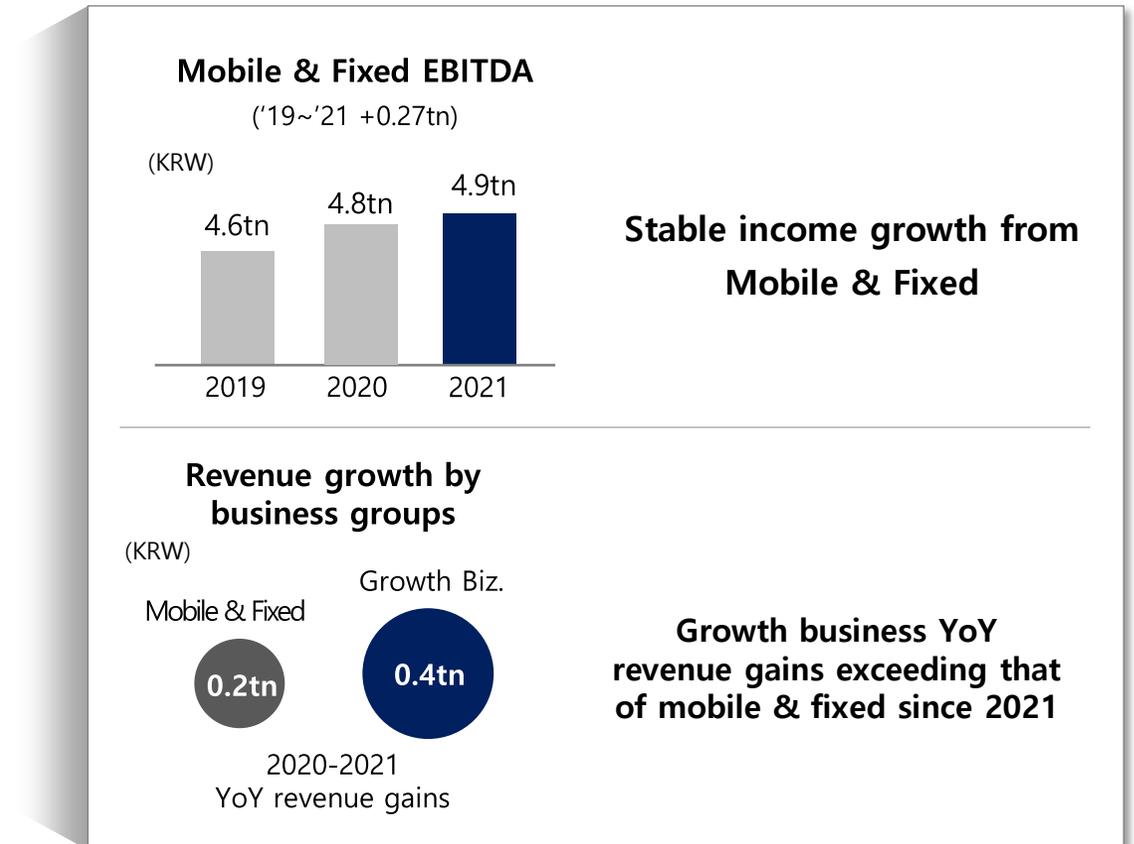
Pursuit of SKT 2.0 to maximize corporate value by re-organizing its business into five business groups and optimizing customers, services and technology for each group



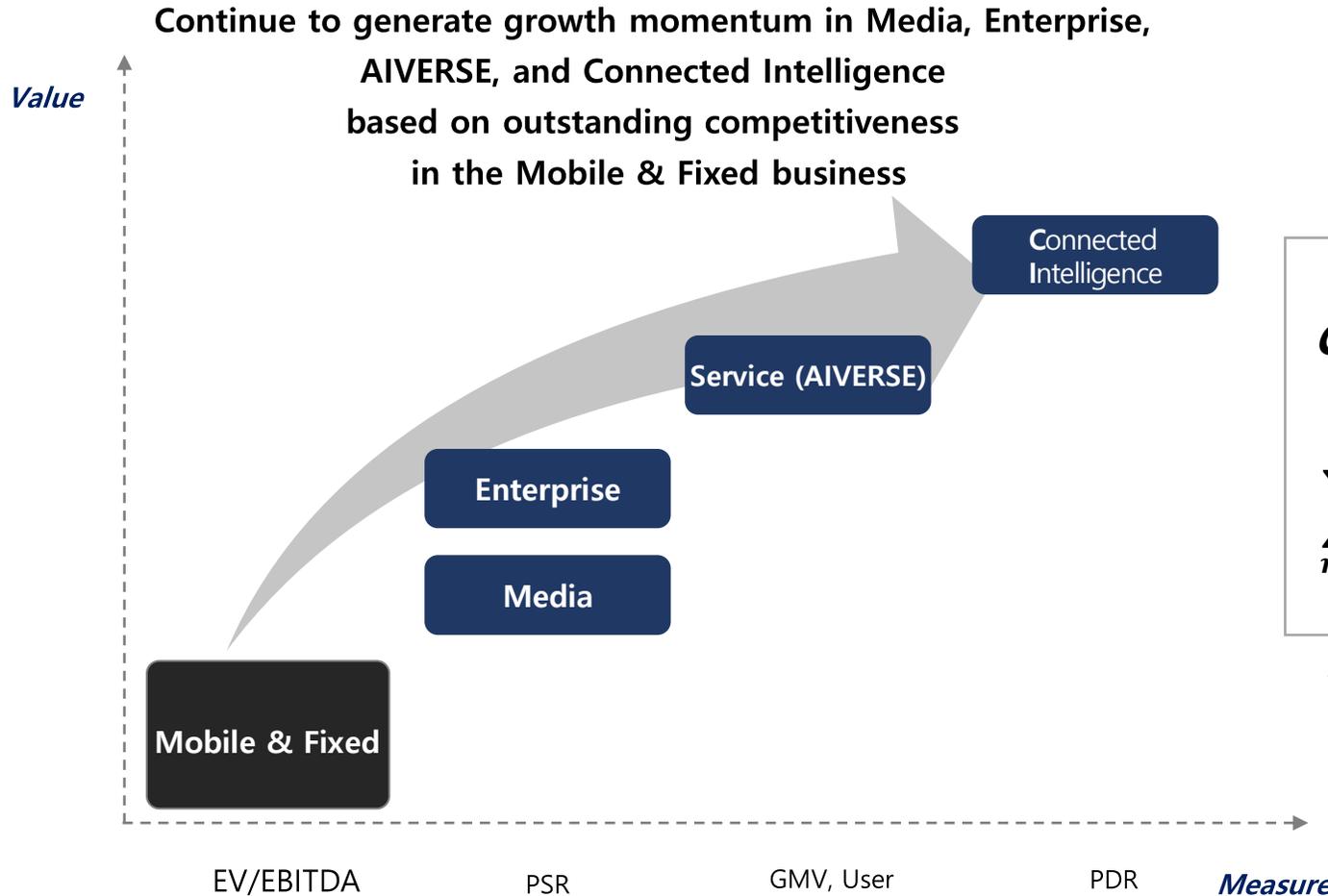
Building resource management and operation systems optimized for each business group

Mobile & Fixed business remains profitable and growing while Media, Enterprise and Service businesses enjoy rapid growth

	2021 Revenue	Share	CAGR ('19~'21)
Mobile & Fixed	KRW 13.2tn	82%	3%
Media	KRW 1.3tn	8%	26%
Enterprise	KRW 1.4tn	8%	8%
Service(AIVERSE)	KRW 0.2tn	1%	4%
Growth Biz Groups	KRW 2.9tn	18%	15%



Maximize total corporate value by developing and implementing growth strategies tailored to each business group



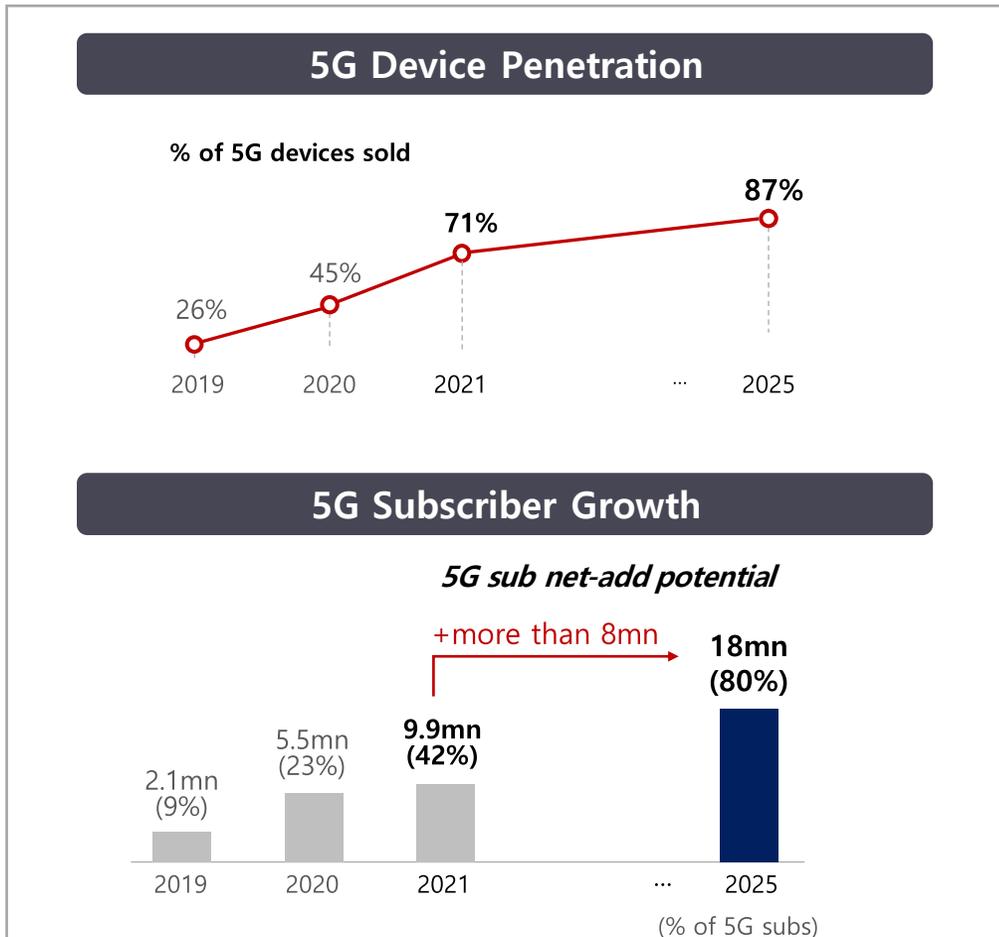
Corporate value of SKT 2.0

$$\sum_{n=1}^5 \text{Value metrics by biz group}^*_n \times \text{multiple}_n$$

* EBITDA, Revenue, GMV, User, etc.

2. The Five Business Groups – ① Mobile & Fixed

Stable growth trend of MNO revenue through 2025 driven by solid 5G subscriber growth



Sustainable margin improvement based on network efficiency and market stabilization

Network

Rural 5G network rollout shared by the three telcos



88% land coverage

131 towns and counties

Largest 5G coverage

Fastest network speed

CapEx

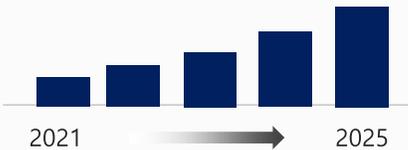
CapEx Efficiency



Own CapEx Joint N/W

OpEx * Electricity, leases, etc.

Annual growth of savings



2021 → 2025

Marketing

Continued market stabilization



Marketing expense

2021 2025

Expand online marketing while modernizing offline stores

Share of online



30%

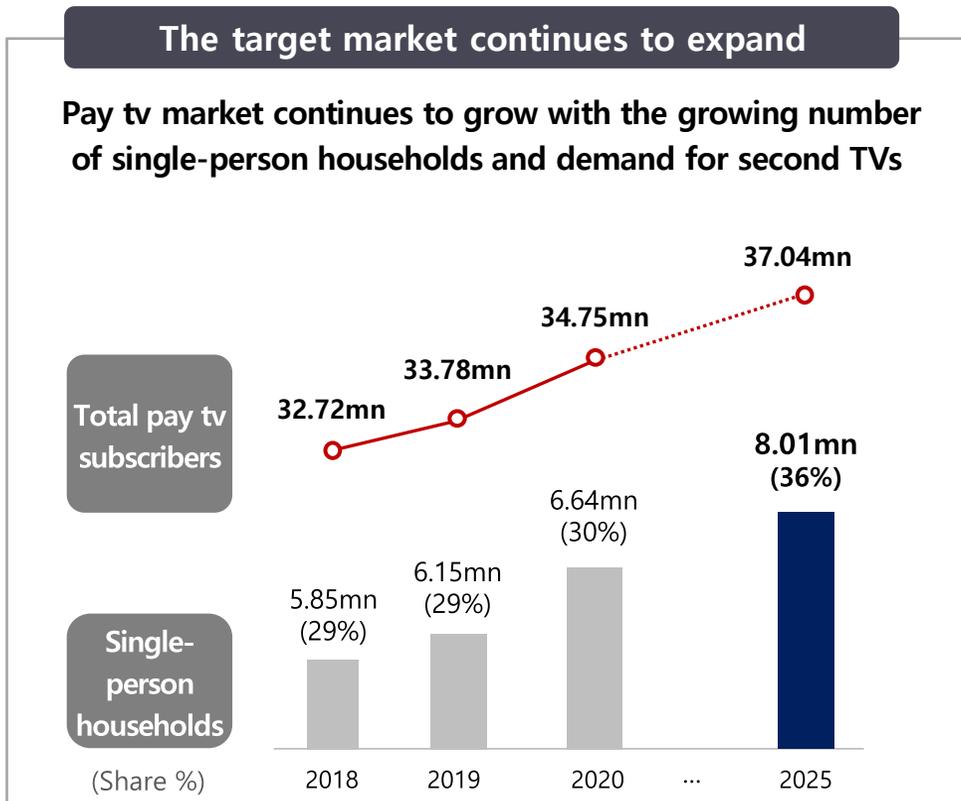
+

of offline stores for subscription experience

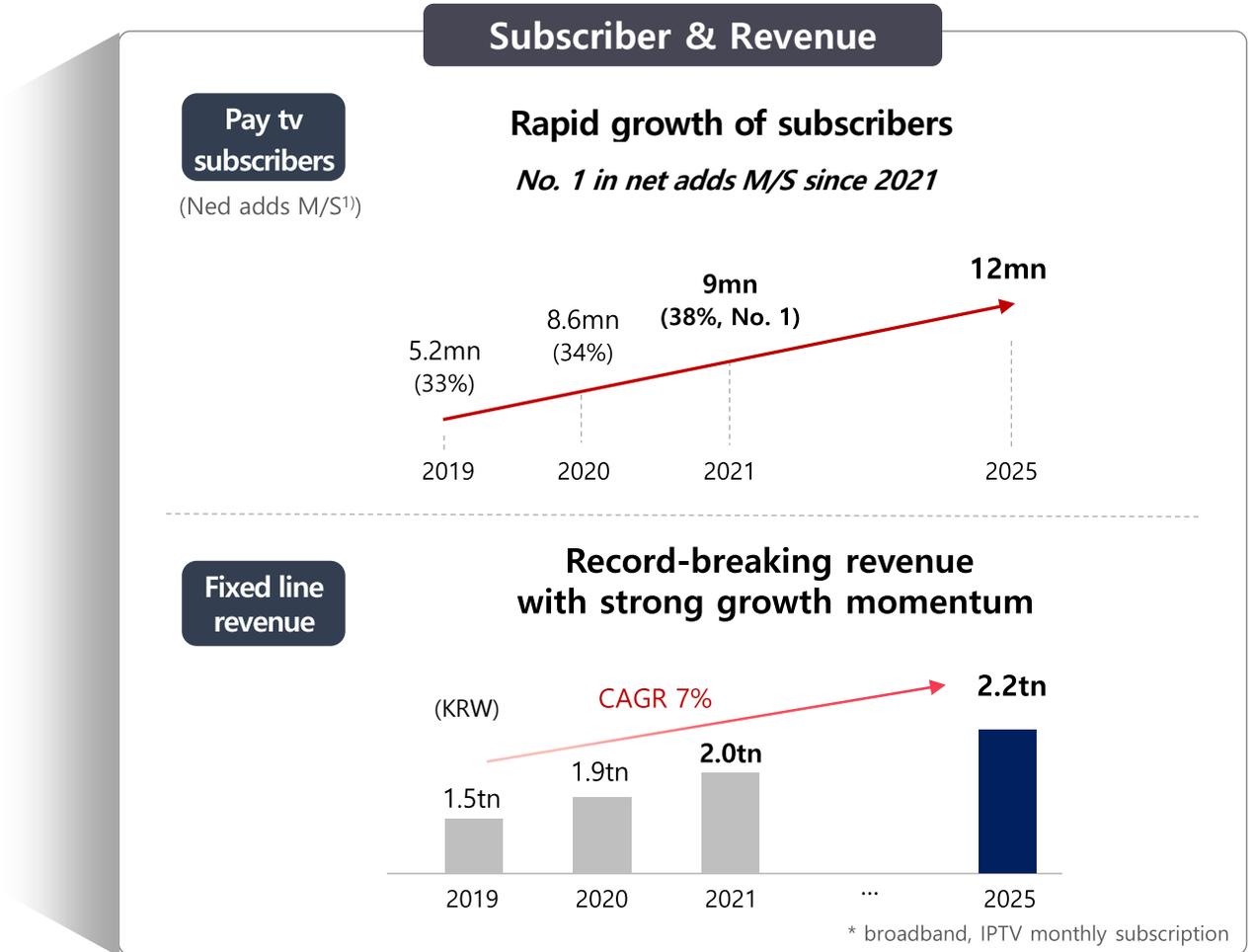
1,500+ stores

* As of 2023

Solid growth trend of fixed line revenue and subscribers based on the growth of single-person households and 2nd TV market



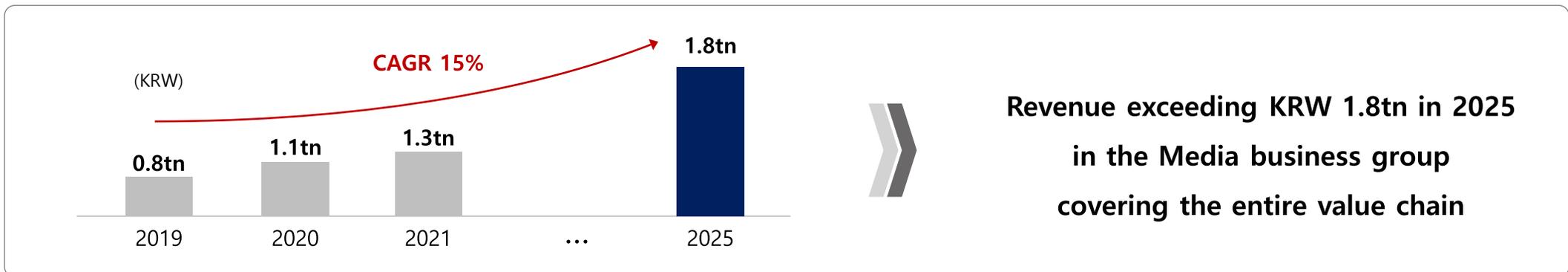
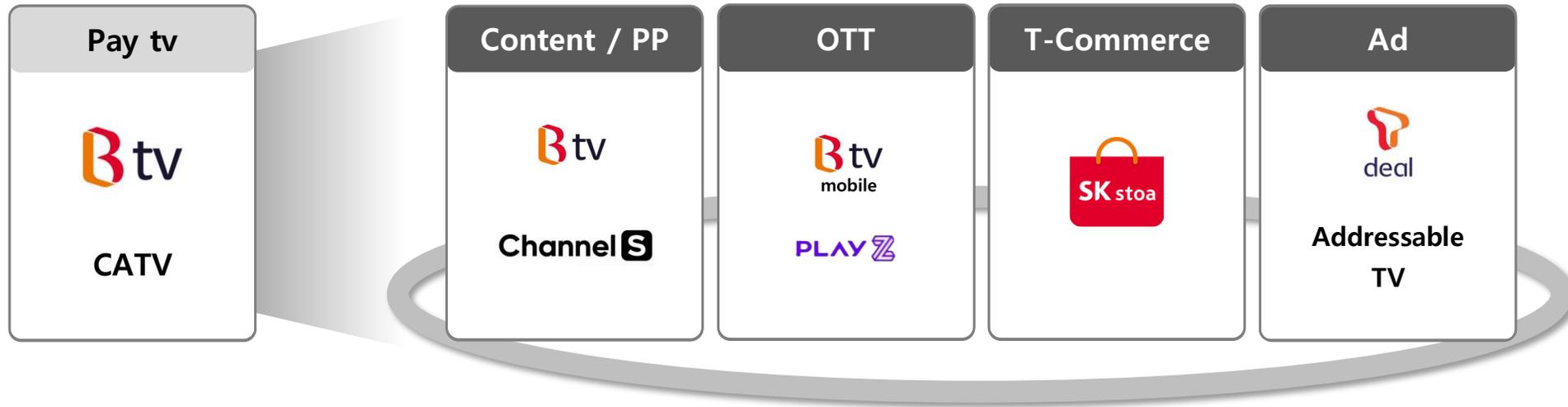
* Source: Statistics Korea / Korea Communications Commission (2021), OMDIA, a global market research firm (2021)



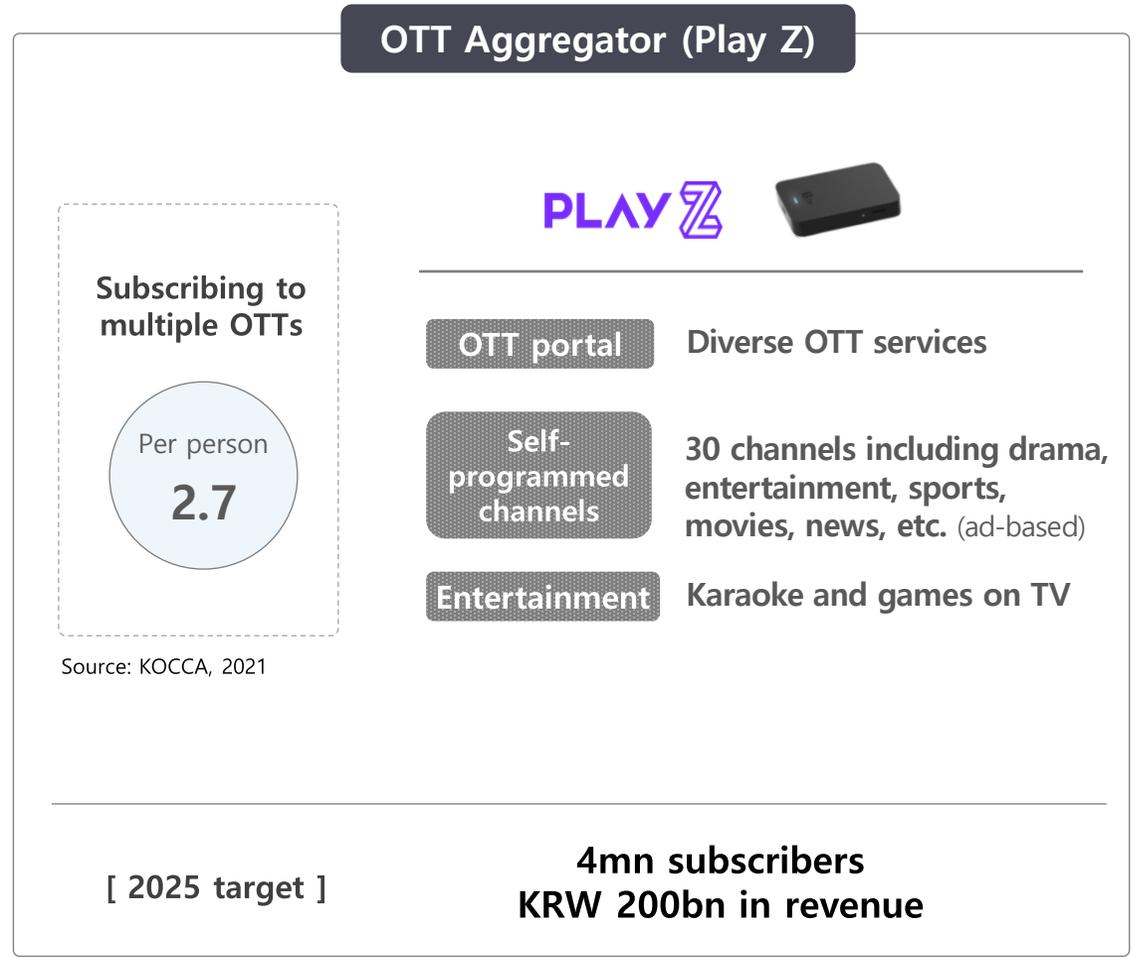
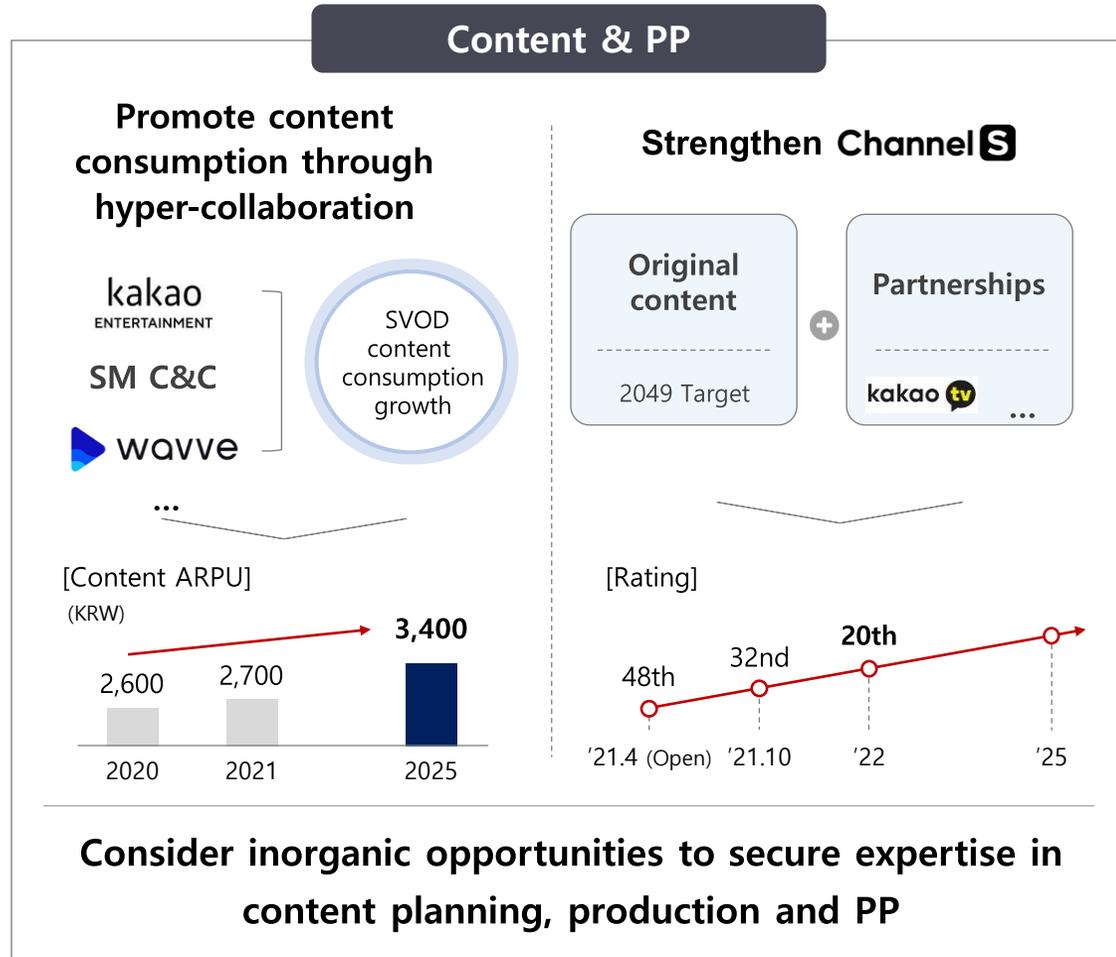
1) Based on net-adds of 3 IPTV companies, excluding MSOs (Source: IR from 3 telcos, Nov. 2021)

2. The Five Business Groups – ② Media

Capitalize on the platform competitiveness gained with pay tv subscriber growth to expand into Content, PP, OTT, T-Commerce, and advertising



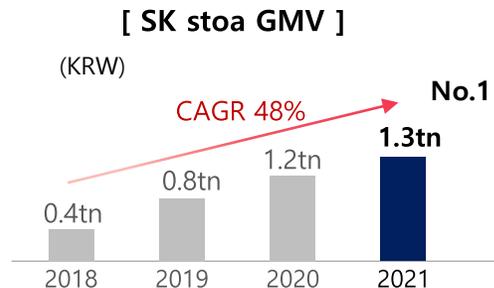
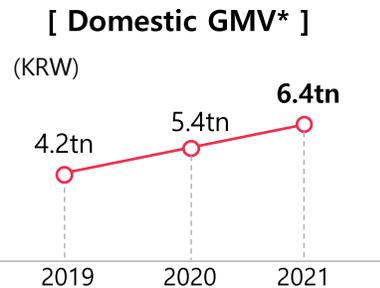
Strengthen Content and PP capability through hyper-collaboration and inorganic growth and promote OTT Aggregator business actively



Foster T-Commerce and Ad platforms as a new driver of Media business

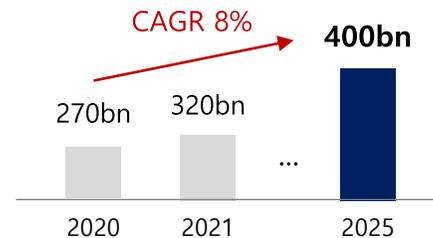
T-Commerce (SK stoa)

Leadership in the growing T-Commerce market



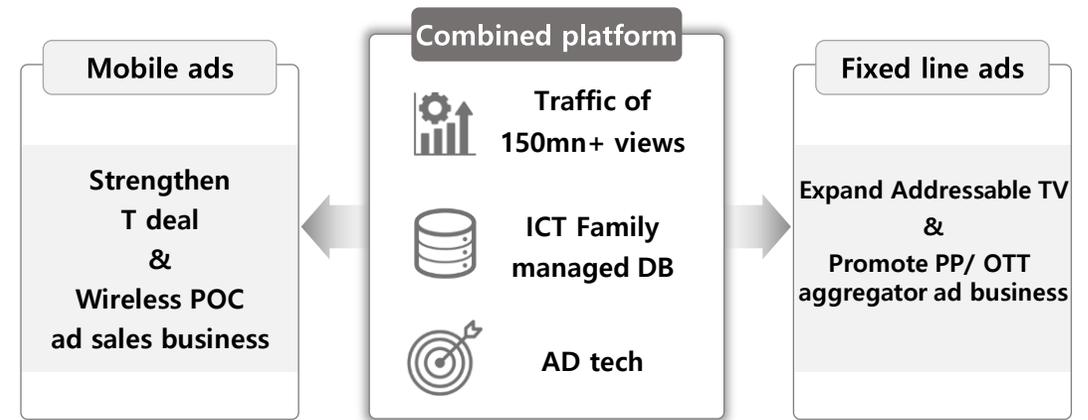
Revenue exceeding KRW 400bn in 2025 through continuous enhancement of customer experience and product line-up

- PB brands
- Live Commerce
- Interactive service

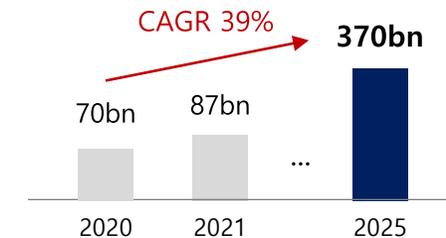


Advertising

Accelerated growth with mobile & fixed combined advertising platforms



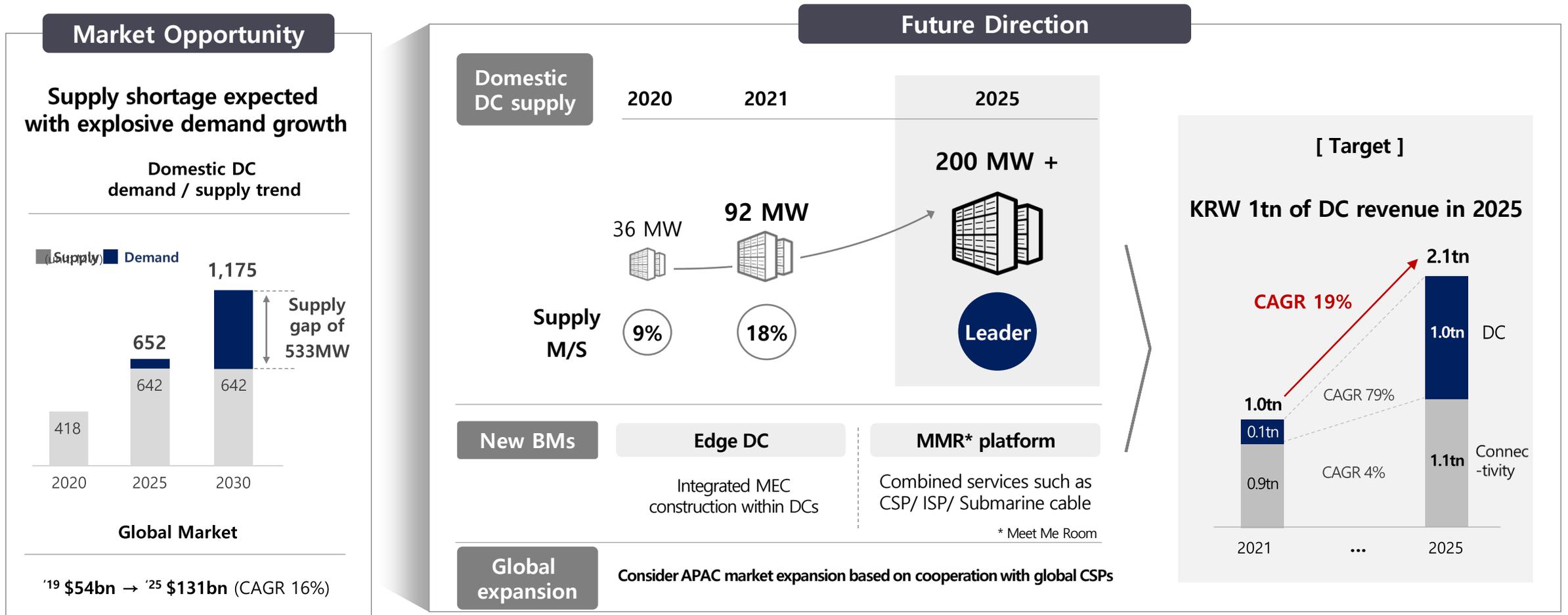
Achieve KRW 370bn in revenue by 2025



2. The Five Business Groups –

③ Enterprise

Secure leadership in Korea through aggressive capacity expansion, develop profitable business models, and consider global expansion

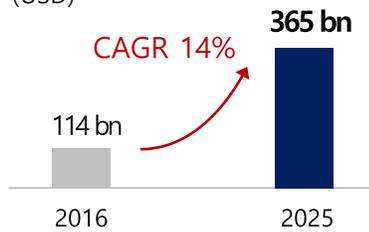


Utilize 5G MEC, MSP, and global hyper-collaboration to expand business in the rapidly growing Cloud market

Market Opportunity

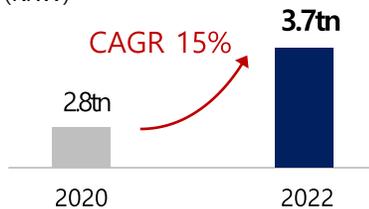
Global Public Cloud market

(USD)



Domestic Cloud market

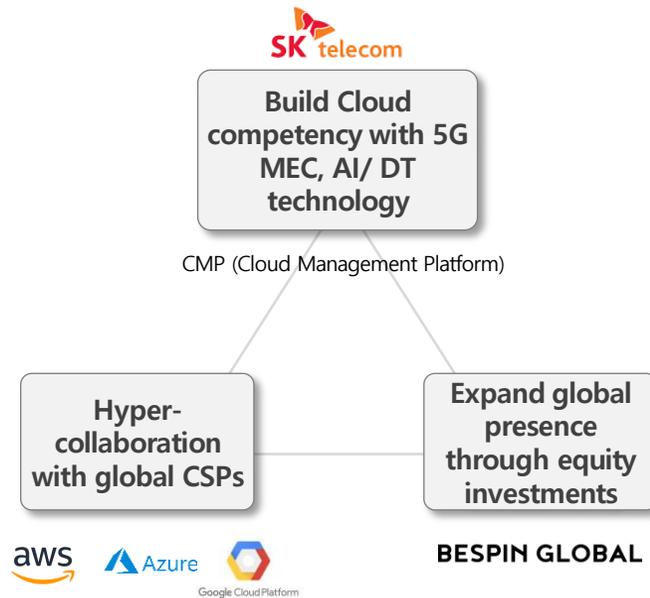
(KRW)



* Source: Statista, Markets and Markets

Direction and Target

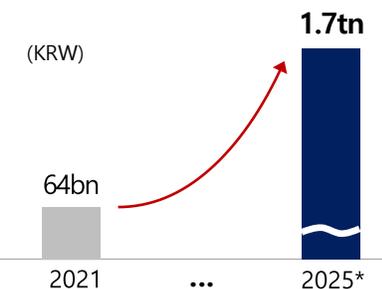
Boost Cloud business through 5G MEC, global hyper-collaboration, and synergy with invested companies



Growing client base

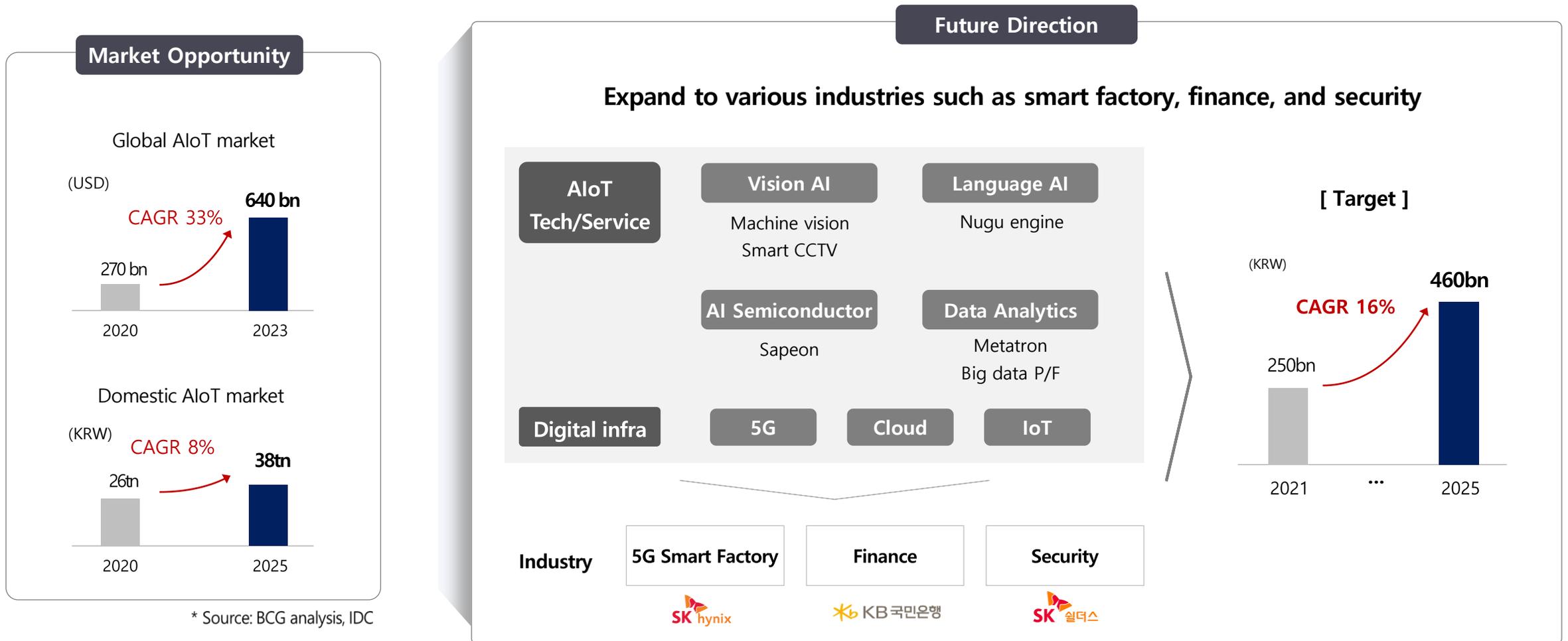


[Target]



* Bespın Global revenue included

Vertical business expansion through the combination of in-house AI technology with digital infrastructure such as 5G and IoT



2. The Five Business Groups – ④ AIVERSE

Meaningful milestones ; GMV surpassed KRW 350bn, overseas direct purchase GMV of 11st tripled and service expansion is being driven by the 20s-40s age group & contactless channels

Key Metrics

GMV

KRW 350bn

Revenue

KRW 200bn

11st Overseas Direct Purchase

x3 growth
(overseas direct purchase)

Universe Pass Subscribers' 11st GMV growth

+KRW 200k
(per customer)

* '21.8.31 ~ '22.1.31

Customer Profile

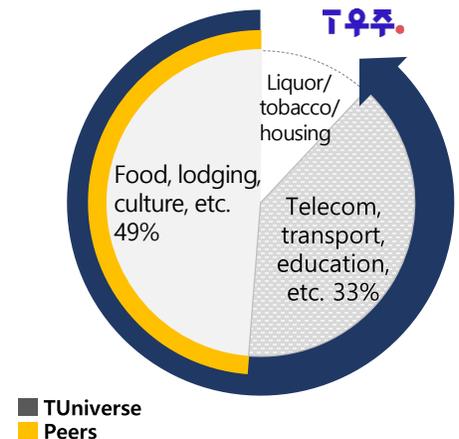
20s-40s age group

72% Vs. **47%**
T Universe SKT mobile

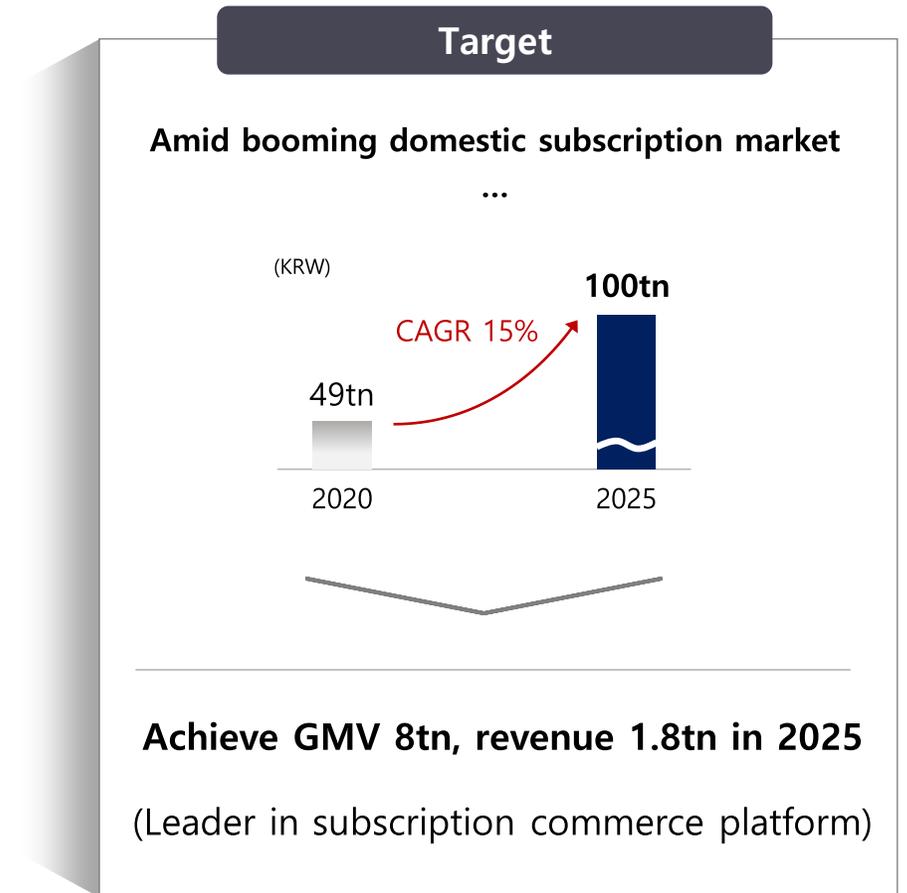
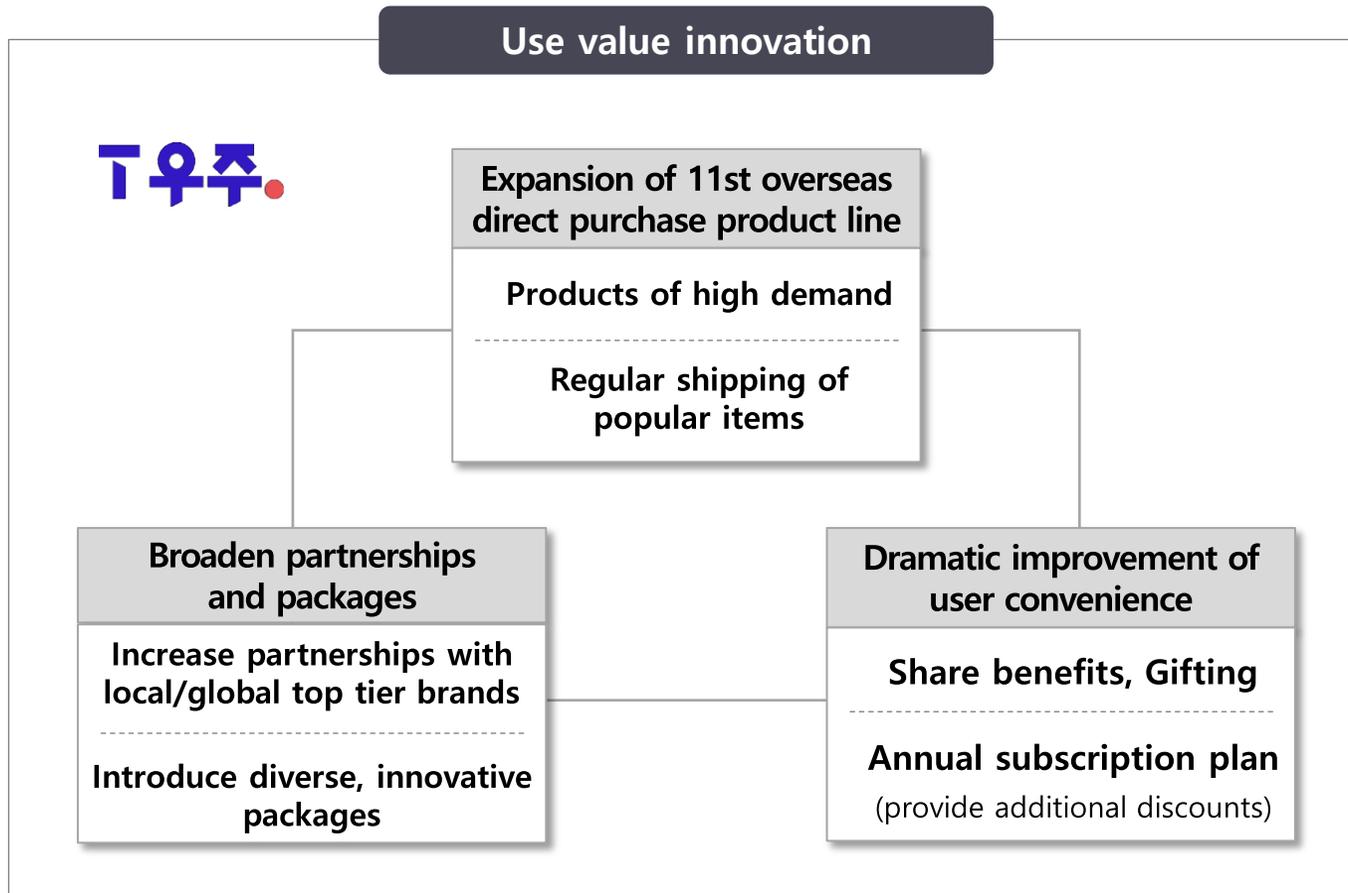
Subscription via contactless channels

53% Vs. **10~20%**
T Universe SKT paid services

「 Coverage ≥ 80% 」 of domestic household expenditures



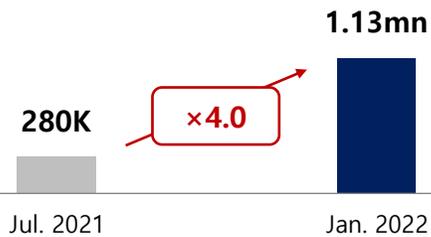
Innovation in use value with competitive product line-up and upgrade for convenience to produce meaningful results



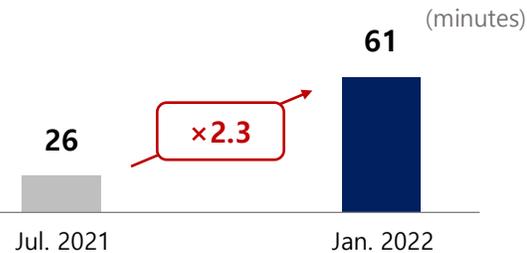
Successful market entry with over 1.1mn MAU and more than 1,500 requests for partnerships

Key Metrics

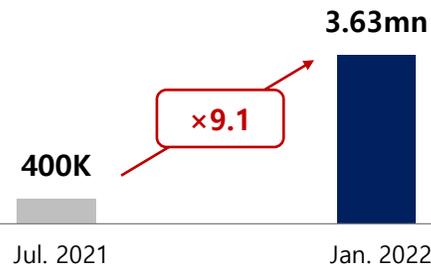
MAU



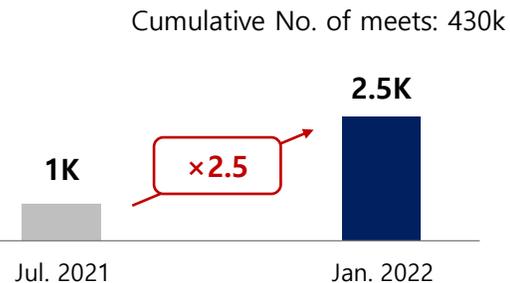
Duration *



Subscribers



No. of Daily Land ('meet') Generation



Partnerships

Partnership requests from corporates / broadcasters / governments

1,500



World Knowledge Forum

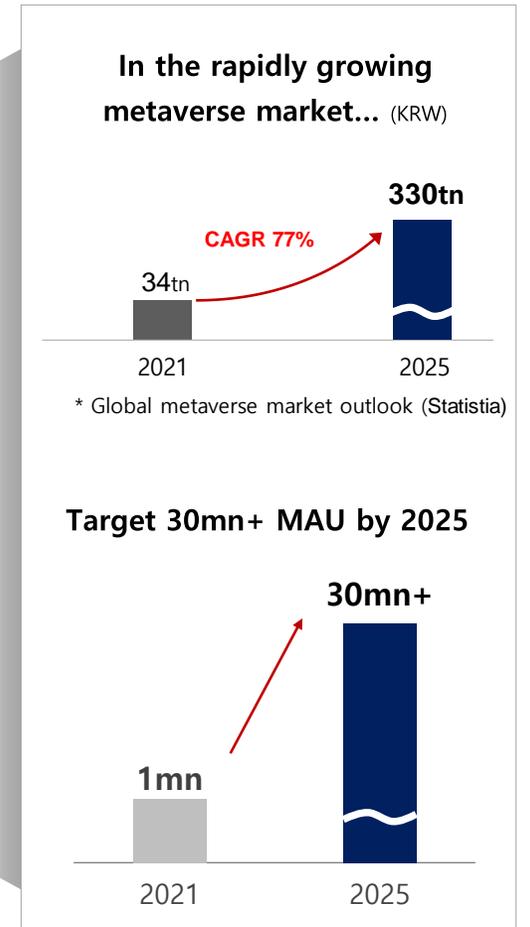
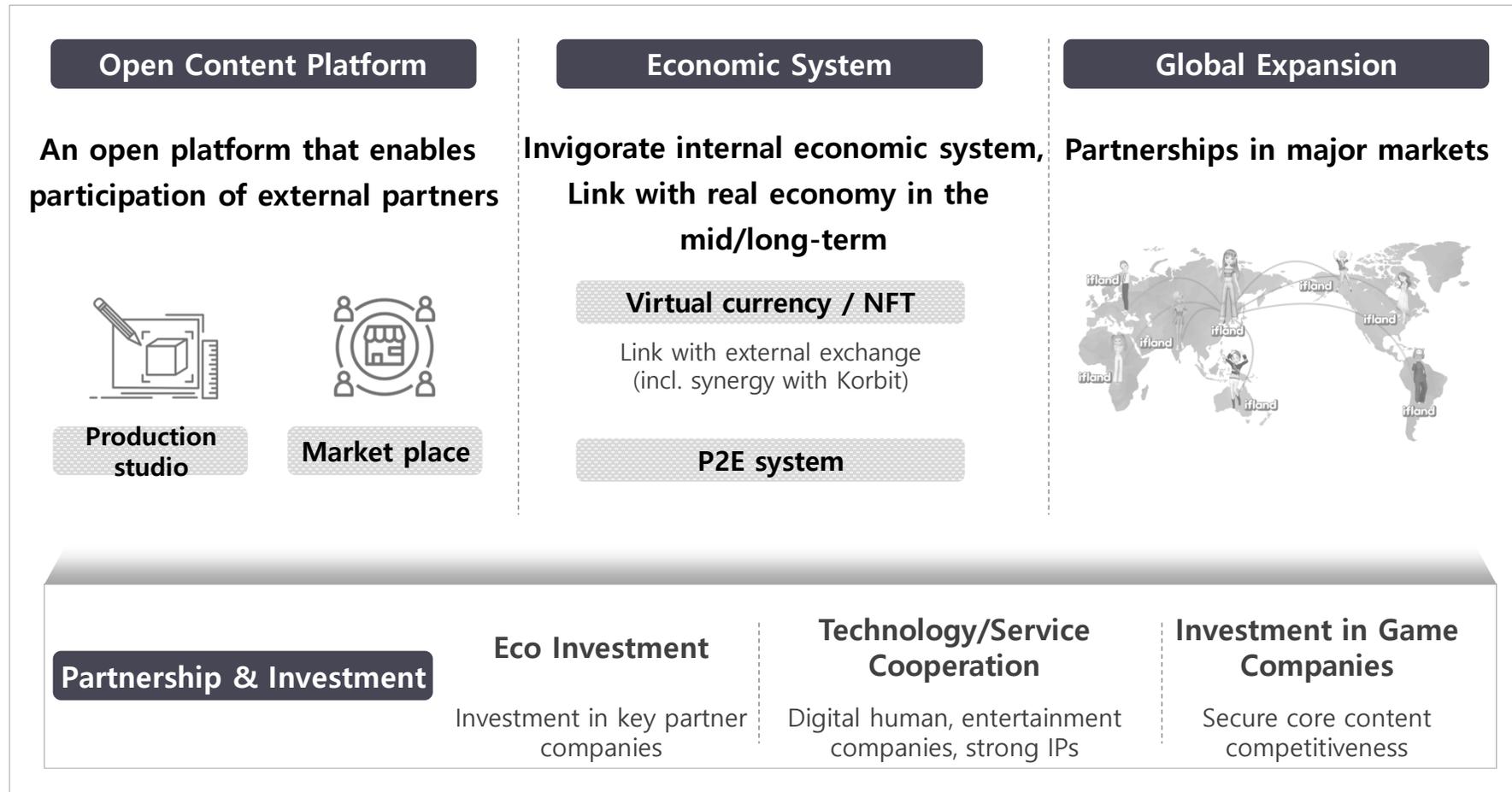
MBC, SBS, JTBC, Tving

KU, SKKU, SCH Univ.

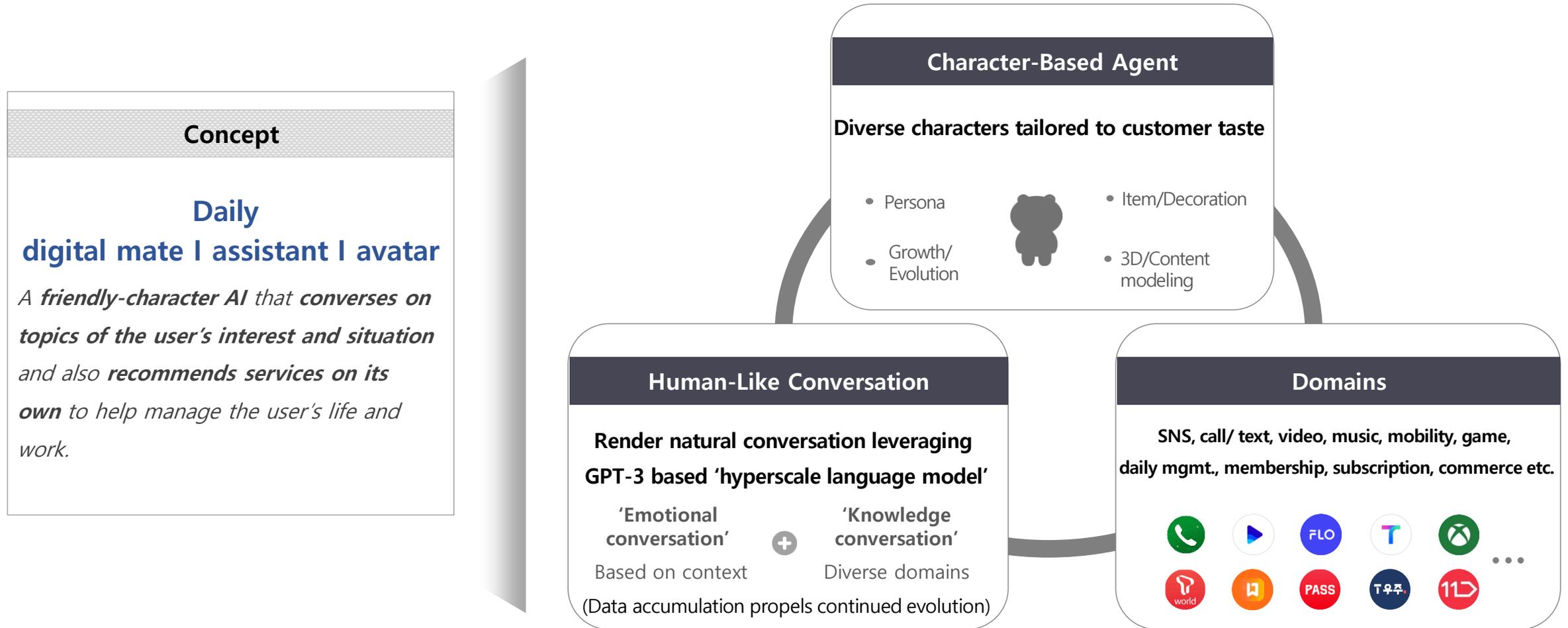
SEC, KT&G, Binggrae

...

Build an open platform & economic system and expand strategic partnerships & investment to scale-up business



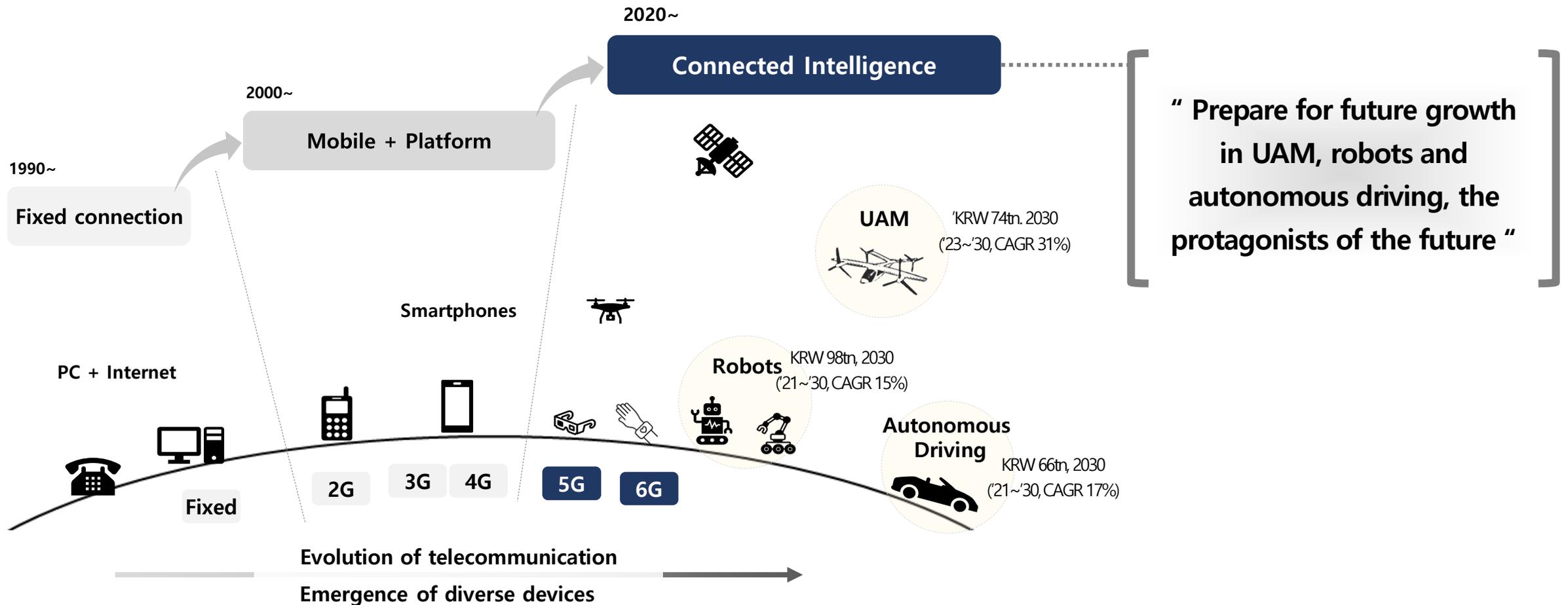
Bundle multiple services to offer a Super App that provides customized AI services based on unprecedented interactions



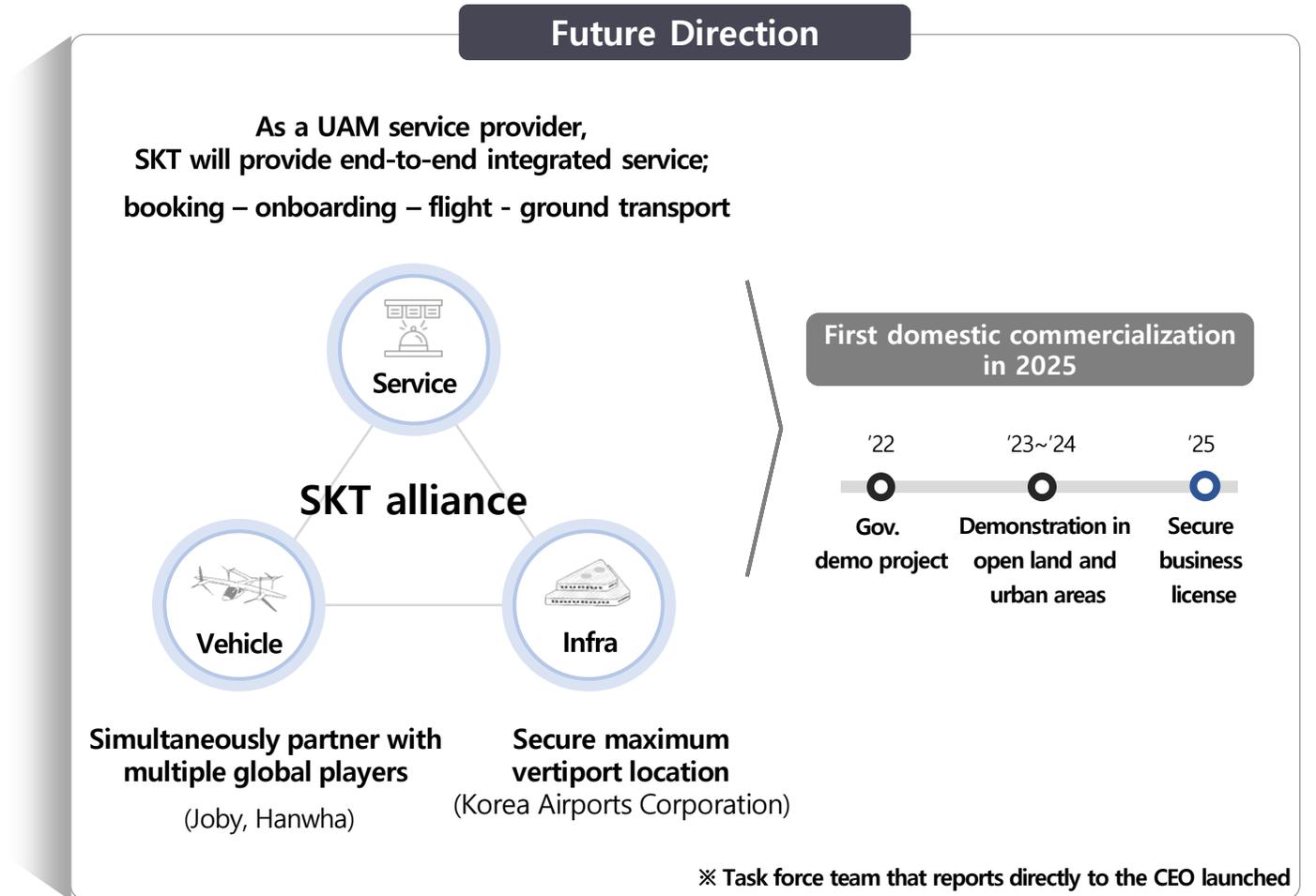
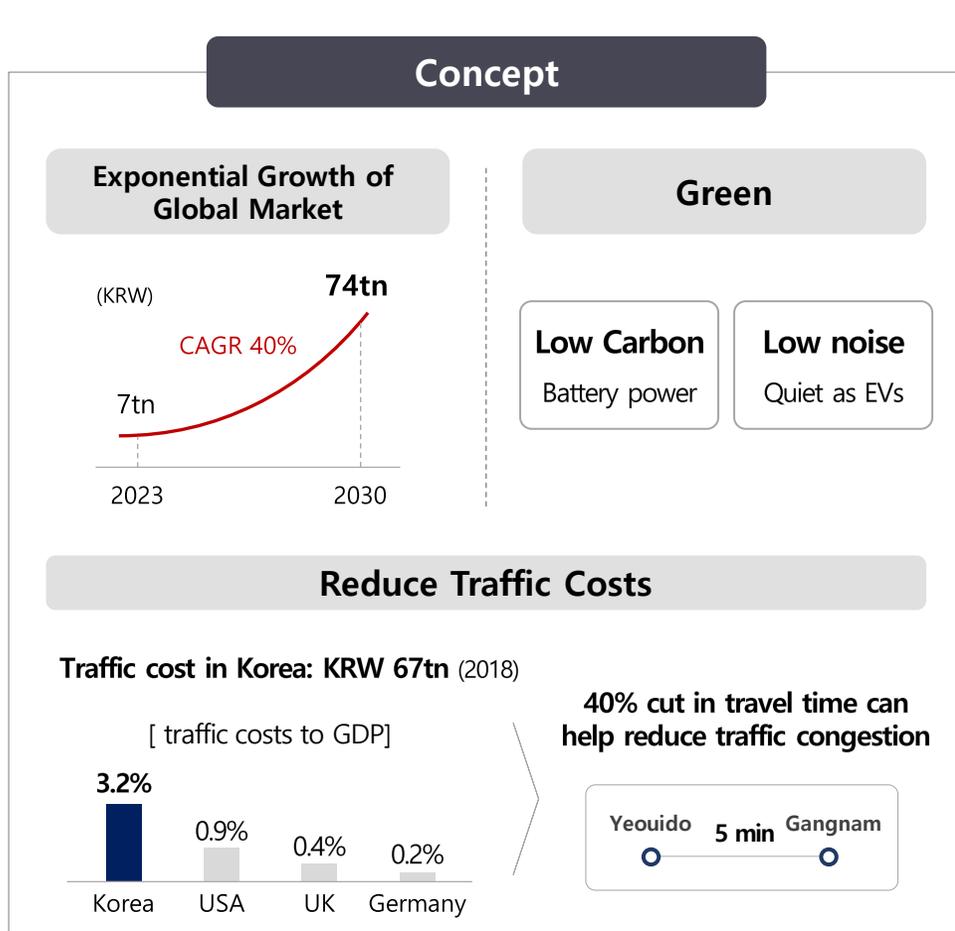
2. The Five Business Groups – ⑤ Connected Intelligence

2. Five Business Groups - ⑤ Connected Intelligence

Offer innovative services such as UAM, robots and autonomous driving by adding intelligence to a diverse array of future devices on top of connectivity, the unique value of telco



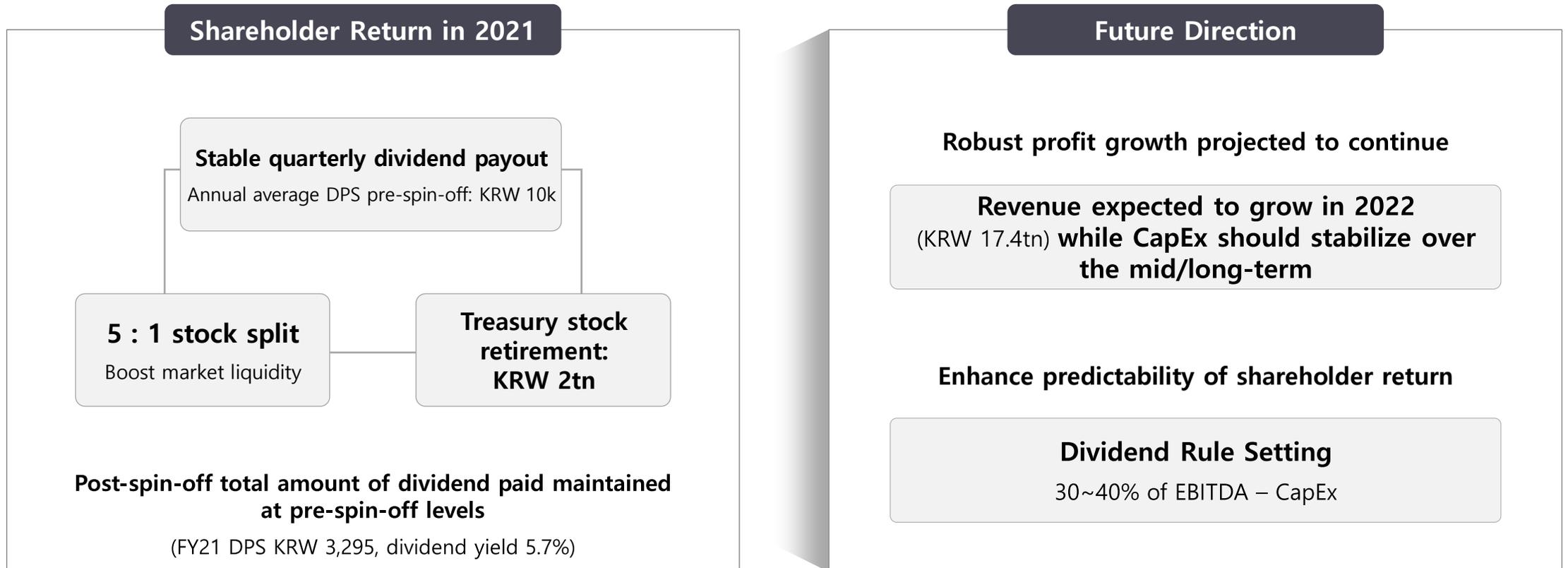
Preoccupy the UAM market by leveraging key strengths of SKT including industry top-notch N/W and mobility platforms



3. Enhancing Shareholder Value

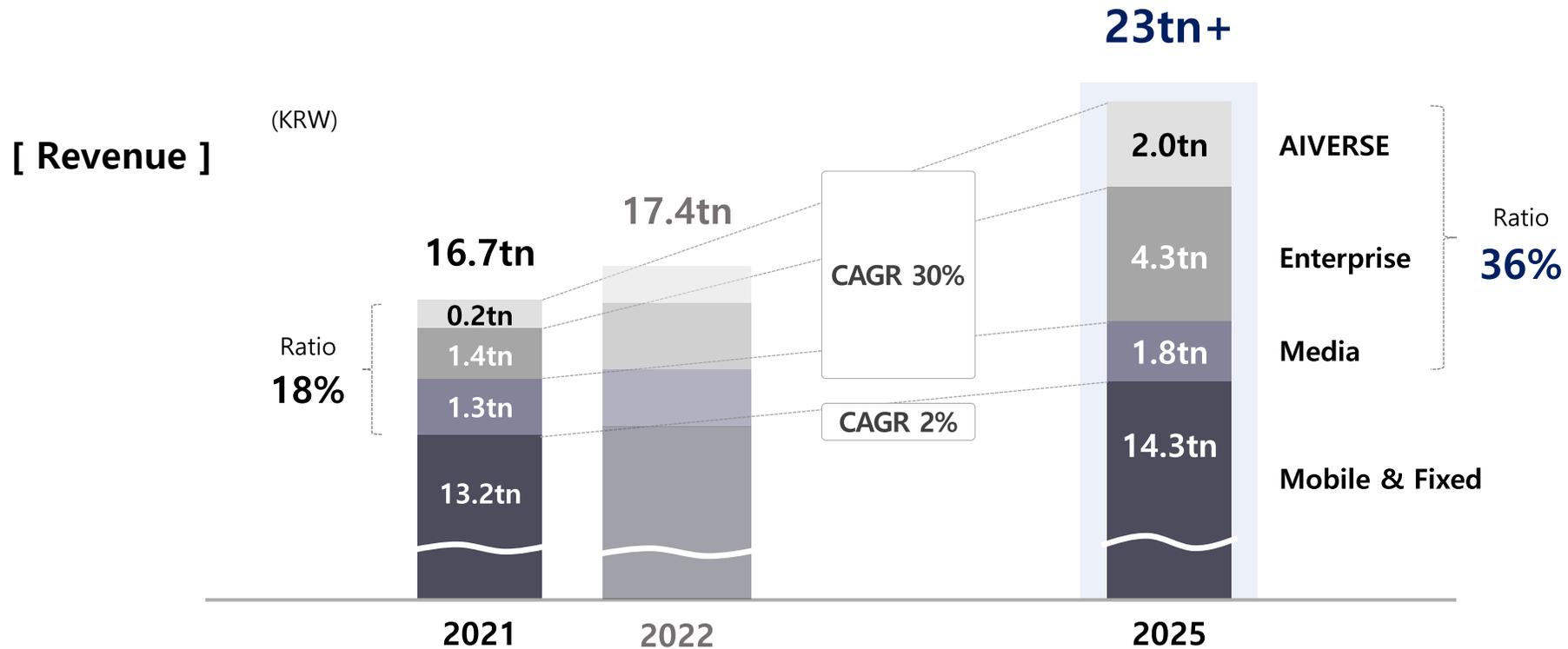
3. Enhancing Shareholder Value

Maintain 'shareholder friendly return policy' driven by robust profits



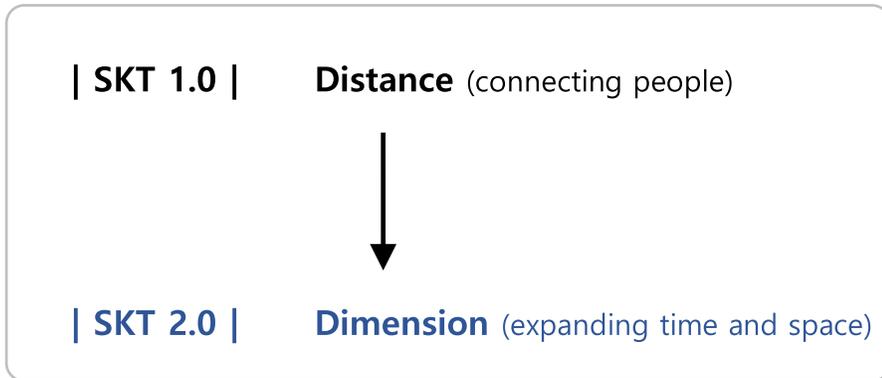
4. End Picture

Achieve KRW 23tn in revenue in 2025, driven by profitability and growth of the 5 business groups

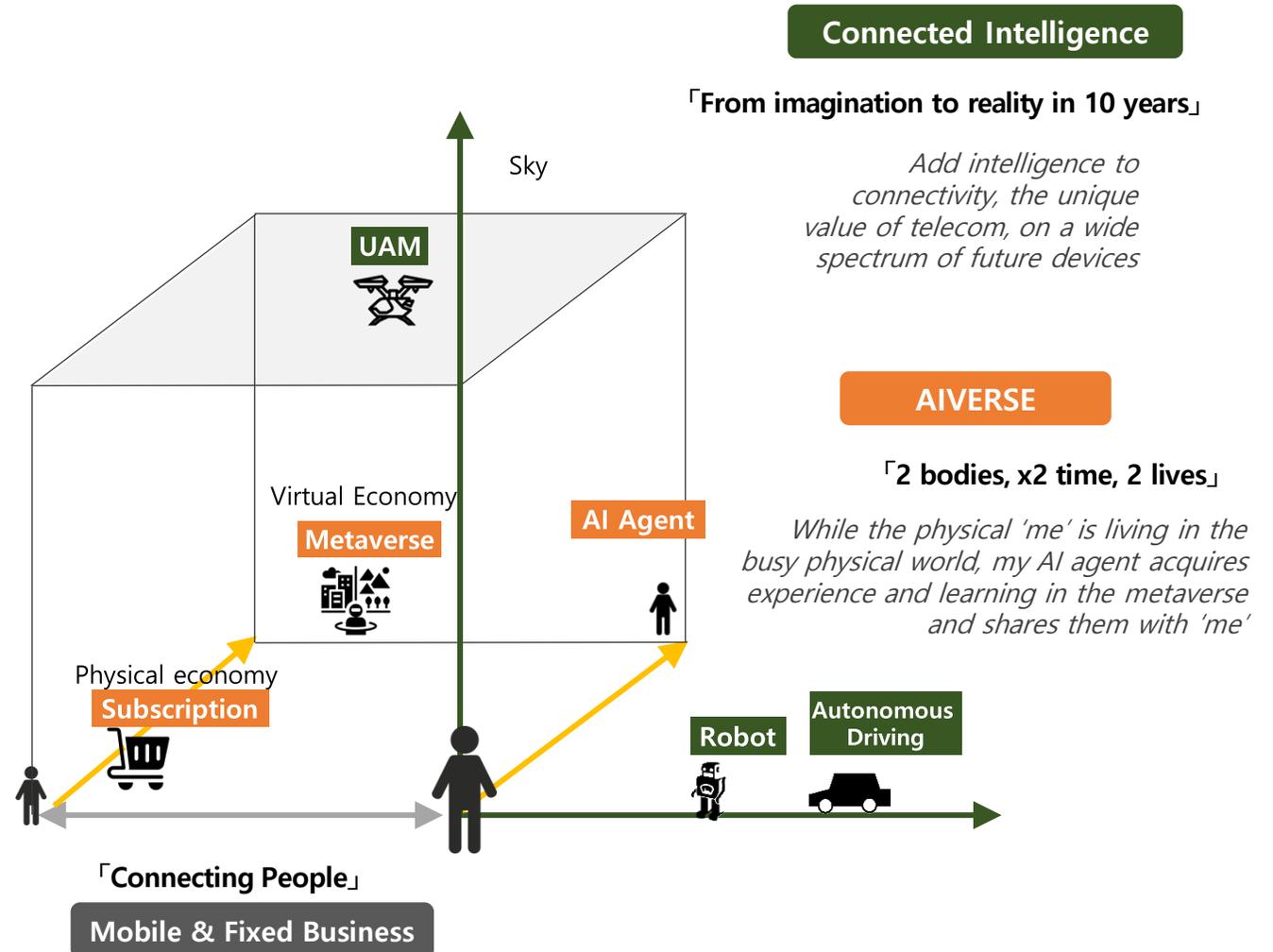


SKT 2.0 Mission

Redefine the business model 'from distance to dimension'



“ While SKT was born **to connect people**, in today’s era of multi-dimensional worlds, including the metaverse and diverse universes, SKT enables customers to create a ‘new life’ by **expanding time and space**”



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