

Investor Briefing

# Earnings for Q1, 2023

2023. 5. 10.



**SK** telecom

# Disclaimer

---

This presentation contains forward-looking statements with respect to the financial condition, results of operations, and business of SK Telecom (the “Company”, or “SKT”) and its subsidiaries, and plans and objectives of the management of the Company. The forward-looking statements are influenced by unknown risks, uncertainties, and other factors that may change the actual results or performance of the Company.

The Company does not make any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained in this management presentation, and nothing contained herein is, or shall be relied upon as a promise or representation, whether as to the past or the future.

Therefore, this presentation contained herein should not be utilized for any legal purposes regarding investors’ investment results. The Company hereby expressly disclaims any liability for any loss or damage resulting from investors’ reliance on the information contained herein .

This presentation only speaks the information as of the date they are made, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

The presentation also includes estimated financial and operational results prepared under K-IFRS without external audit, and some numbers are subject to change after a full audit.

# **1Q23 Financial Results**

Business Highlights

Shareholder Return

Appendix



# 1Q23 Financial Results

Consolidated

Continued YoY growth thanks to MNO revenue growth of SKT and solid B2B revenue growth of SKB

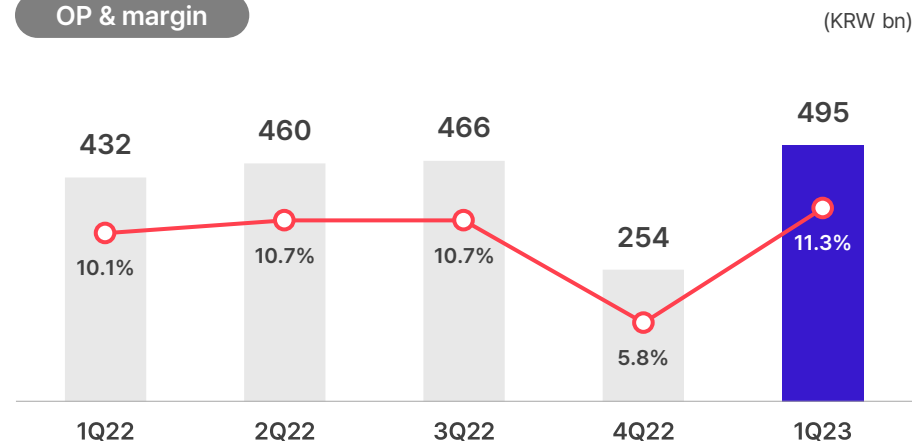
## Consolidated Income Statement

(KRW bn)	1Q23	1Q22	YoY	4Q22	QoQ
Revenue	4,372	4,277	2.2%	4,394	△0.5%
- SKT	3,117	3,077	1.3%	3,096	0.7%
- SKB	1,062	1,026	3.5%	1,053	0.8%
Operating expenses	3,877	3,845	0.8%	4,140	△6.3%
Operating income	495	432	14.4%	254	94.4%
- SKT	416	357	16.5%	195	113.6%
- SKB	76	76	0.1%	72	6.0%
Net income	303	220	37.3%	224	35.2%
EBITDA	1,428	1,379	3.6%	1,189	20.1%
CAPEX	212	278	△23.7%	1,492	△85.8%

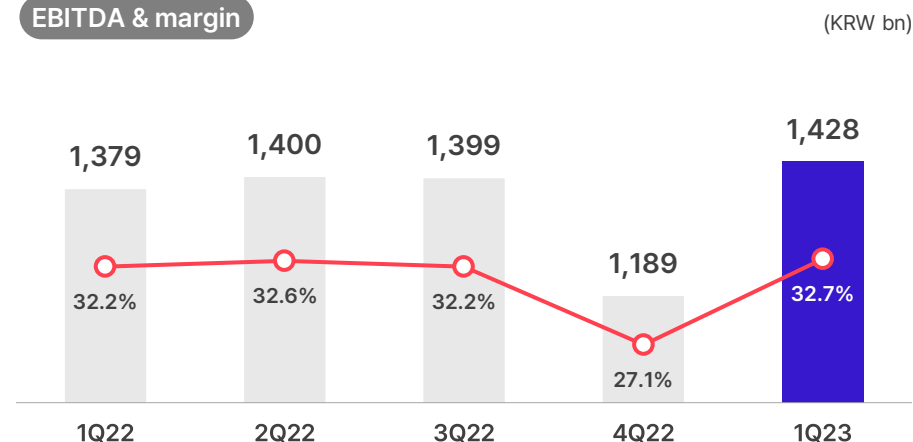
- **Consolidated revenue of KRW 4.4tn, up 2.2% YoY**
  - Sustained revenue growth mainly thanks to 5G and pay tv subscriber growth and revenue growth of B2B businesses including Data Center business
- **Consolidated operating income of KRW 494.8bn, up 14.4% YoY**
  - Improved profitability thanks to top-line growth of fixed and mobile business and stabilization of major expenses such as depreciation cost
- **Consolidated net income of KRW 302.5bn, up 37.3% YoY**
  - Thanks to the increase in non-operating income including dividend income from invested companies

## Key Metrics

### OP & margin



### EBITDA & margin



# 1Q23 Financial Results

Non-consolidated

Improved profitability thanks to stabilization of major expenses such as marketing and depreciation costs

## Non-consolidated Income Statement

(KRW bn)	1Q23	1Q22	YoY	4Q22	QoQ
Revenue	3,117	3,077	1.3%	3,096	0.7%
- MNO	2,627	2,587	1.5%	2,634	△0.3%
- Other	490	490	-	462	6.1%
Operating expenses	2,702	2,720	△0.7%	2,902	△6.9%
- Marketing expense	757	745	1.6%	798	△5.2%
- Depreciation <sup>1)</sup>	705	713	△1.2%	705	0.1%
Operating income	416	357	16.5%	195	113.6%
Net income	422	252	67.5%	88	380.4%
EBITDA	1,121	1,070	4.7%	899	24.6%
CAPEX	134	197	△32.2%	1,091	△87.8%

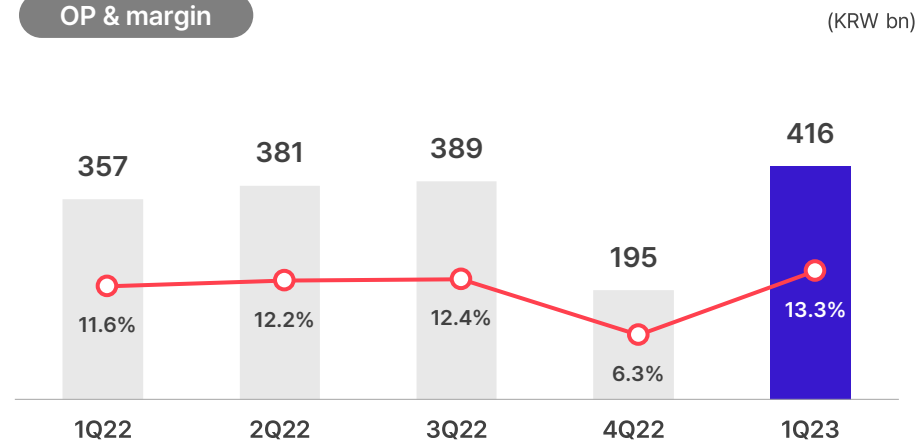
1) R&D related depreciation and amortization included

- **Non-consolidated revenue of KRW 3.12tn, up 1.3% YoY**
  - MNO revenue up 1.5% YoY thanks to roaming revenue recovery and 5G subscriber growth
  - MNO revenue down 0.3% QoQ due to drop in business MMS usage
- **Non-consolidated operating income of KRW 415.7bn, up 16.5% YoY**
  - Stable trend of marketing and depreciation costs
  - Base effect of one-off labor costs incurred in Q1 2022
- **Non-consolidated net income of KRW 422.2bn, up 67.5% YoY**
  - SK Broadband dividend income of KRW 149.5bn recognized\*

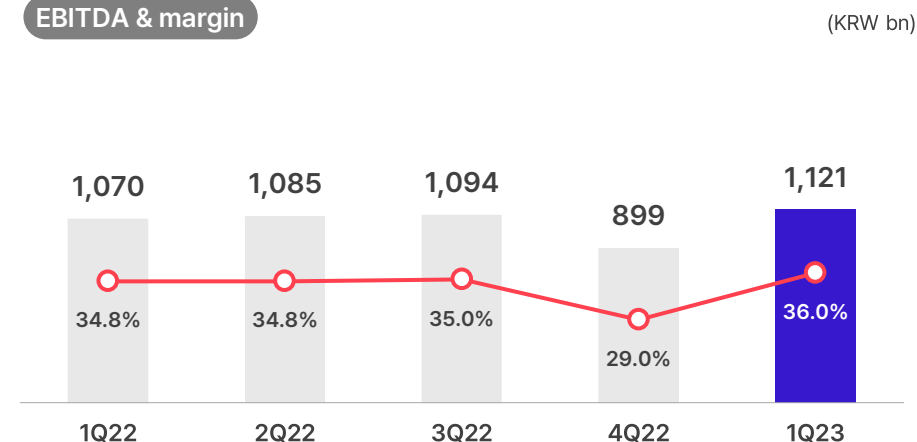
\*Subsidiary dividends are not reflected in consolidated income

## Key Metrics

### OP & margin



### EBITDA & margin



# 1Q23 Financial Results

SK Broadband

Revenue improved YoY on the back of solid growth of pay tv subscriber base and strategy to expand the share of broadband

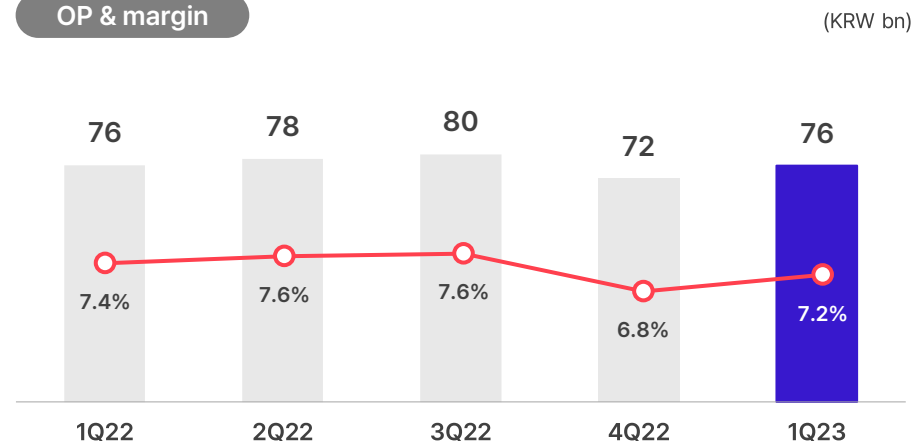
## Consolidated Income Statement

(KRW bn)	1Q23	1Q22	YoY	4Q22	QoQ
Revenue	1,062	1,026	3.5%	1,053	0.8%
- Pay tv	472	471	0.3%	468	0.9%
- Fixed line	264	256	3.1%	272	Δ2.7%
- B2B business	325	299	8.6%	314	3.6%
Operating expenses	985	950	3.7%	982	0.4%
Operating income	76	76	0.1%	72	6.0%
Net income	51	51	Δ0.8%	58	Δ12.9%
EBITDA	316	321	Δ1.6%	314	0.5%
CAPEX	78	82	Δ4.7%	401	Δ80.4%

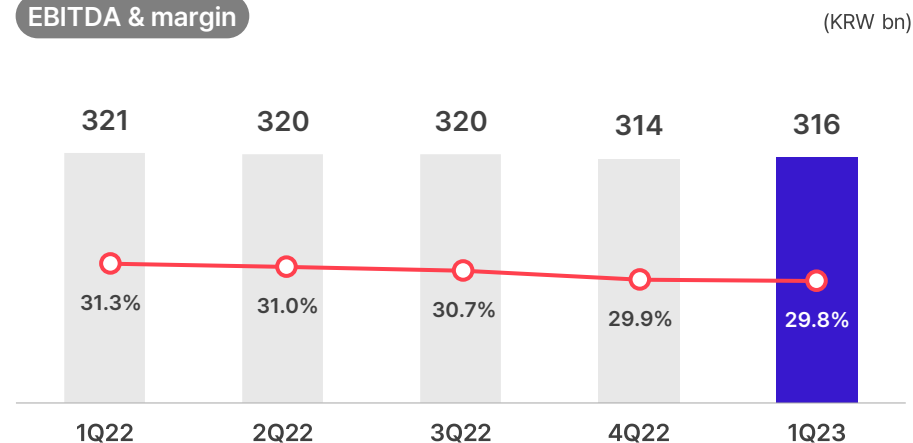
- **SKB consolidated revenue of KRW 1.06bn, up 3.5% YoY**
  - Sustained subscriber growth with No. 1 net add M/S for broadband and IPTV
  - B2B business revenue growth supported by traffic growth and higher Data Center utilization
- **SKB consolidated operating income of KRW 76.1bn, flat YoY**
  - Similar level YoY despite one-off non-recurring expenses
- **SKB consolidated net income of KRW 50.6bn, flat YoY**
  - Similar level YoY despite higher interest expense on the back of interest rate hikes

## Key Metrics

### OP & margin



### EBITDA & margin



1Q23 Financial Results

## **Business Highlights**

Shareholder Return

Appendix



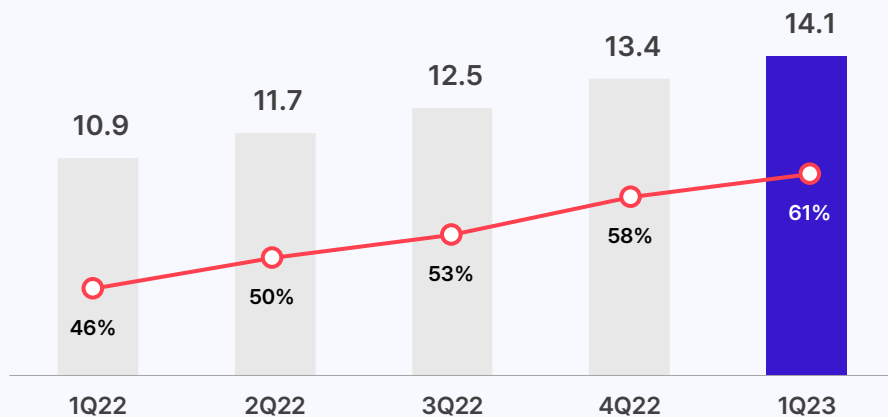
# Business Highlights

Fixed & Mobile

## 5G subscribers & portion

Solid 5G subscriber growth amid stable market conditions

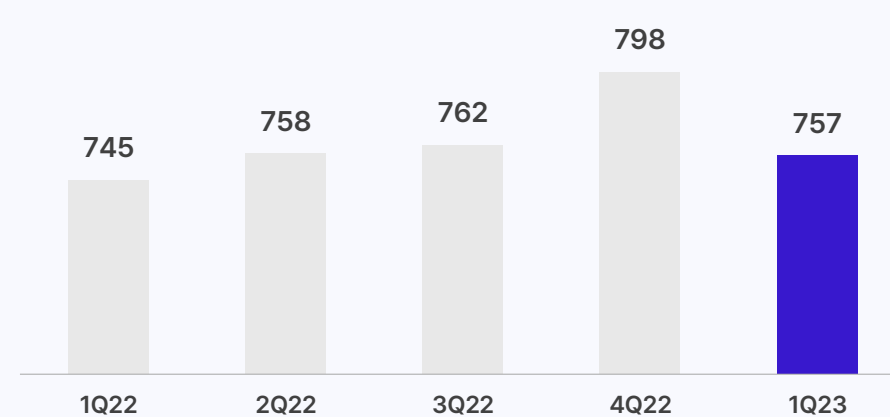
(million)



## Marketing expense

Up 1.6% YoY due to increased ad campaigns on new services

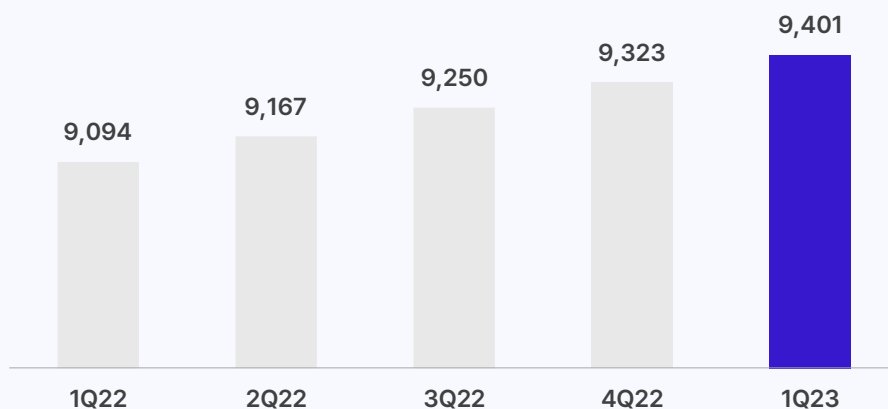
(KRW bn)



## Pay tv subscribers (IPTV + CATV)

Sustained subscriber growth reaching 9.4 million with IPTV net add M/S No. 1 position maintained

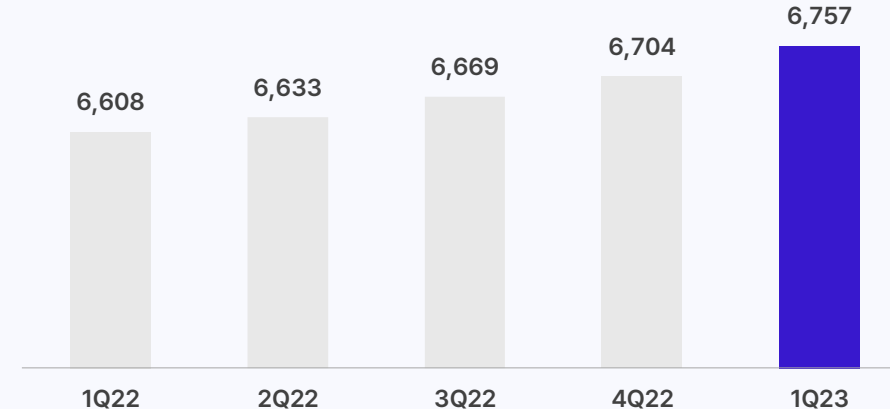
(1,000)



## Broadband subscribers

Continued subscriber growth and higher portion of Giga broadband subscribers with increased conversion

(1,000)



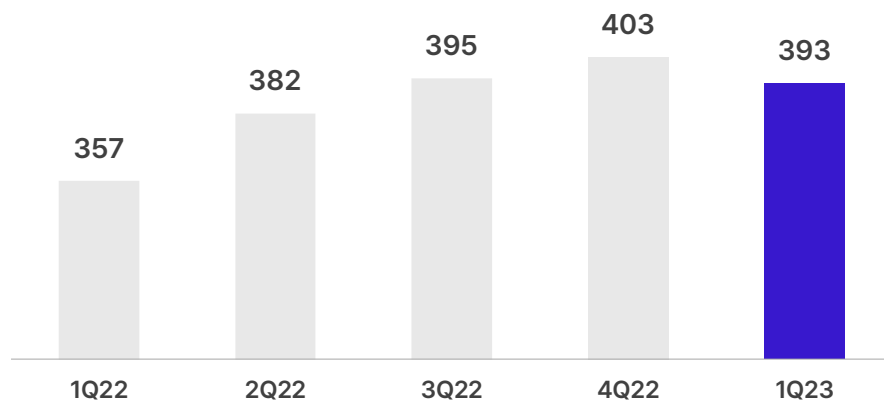


# Business Highlights

## Media

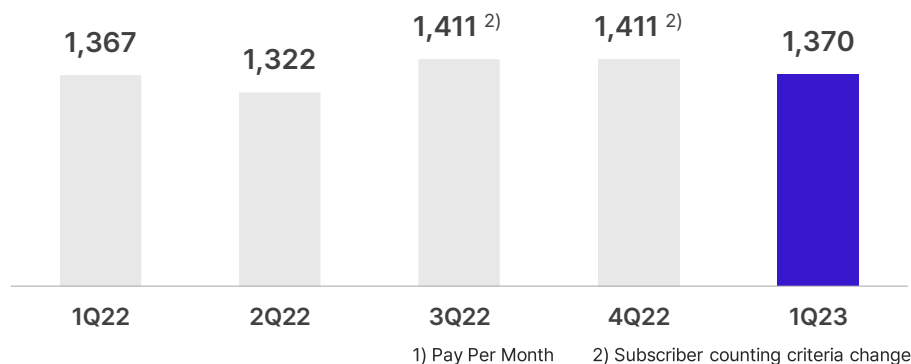
### Media revenue

(KRW bn)



### PPM<sup>1)</sup> subscribers

(1,000)



#### ● Q1 Media revenue of KRW 393.2bn, up 10.2% YoY

- Overall expansion of media value chain utilizing fixed and mobile subscriber base
- Enhanced competitiveness in media total package service through better AI targeting in multiple channels

#### ● PPM subscribers remain flat YoY thanks to content diversification efforts

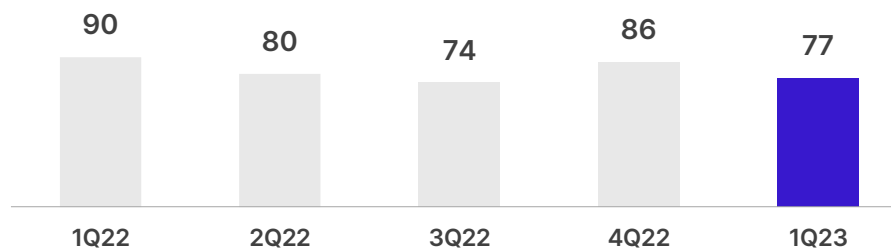
- PPM subscriber base retained through product diversification despite slow season in content market

#### ● SK Stoa revenue of KRW 76.7bn, down 14.3% YoY

- Competitive edge maintained through expanded portfolio of high margin products and expense efficiency despite sluggish consumption and economic depression

### SK Stoa revenue

(KRW bn)

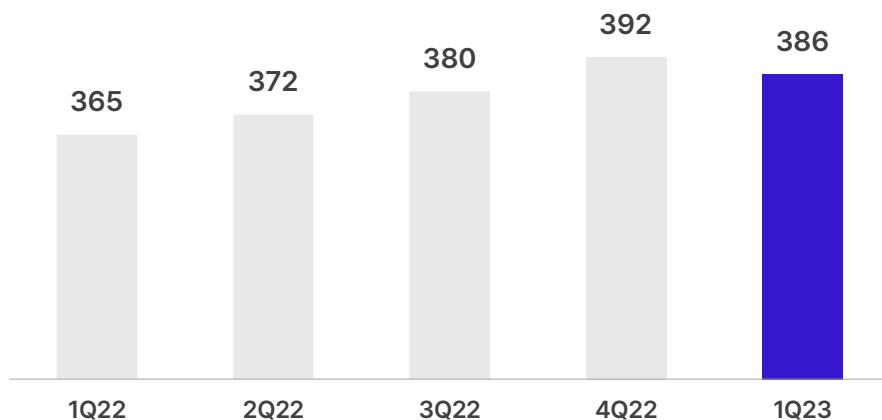


# Business Highlights

## Enterprise

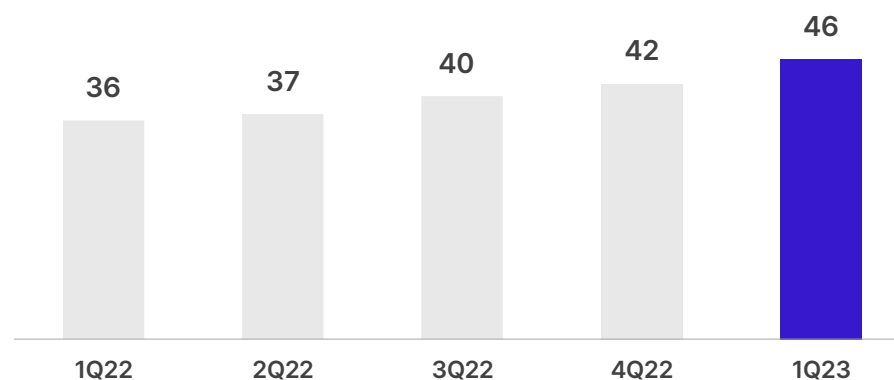
### Enterprise revenue

(KRW bn)



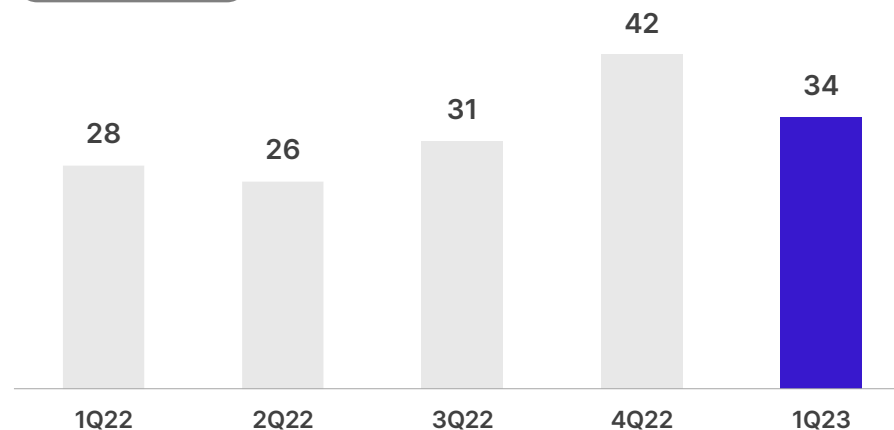
### Data Center revenue

(KRW bn)



### Cloud revenue

(KRW bn)



- **Q1 Enterprise revenue of KRW 386.2bn, up 5.8% YoY**

- Continued revenue scale-up with higher utilization rate of new Data Centers

- **Data Center revenue of KRW 46.4bn, up 28.2% YoY**

- Continued quarterly increase in utilization rate of new Data Centers thanks to sustained growth of data traffic
- Additional revenue growth expected in Q2 with the opening of Bundang 2 Center

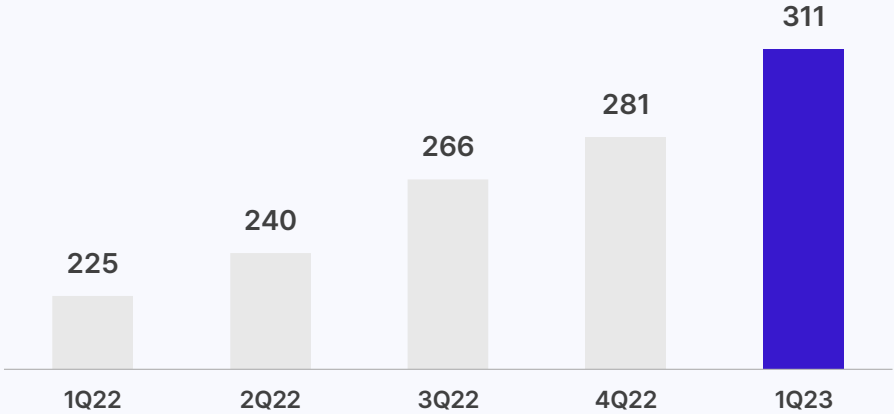
- **Cloud revenue of KRW 34.2bn, up 22.3% YoY**

- Share of recurring MSP revenue surpassing 90% for four consecutive quarters, driving Cloud business growth
- Largest order (approx. KRW 8.1bn) received for AICC since its launch in 2022

## Subscription GMV

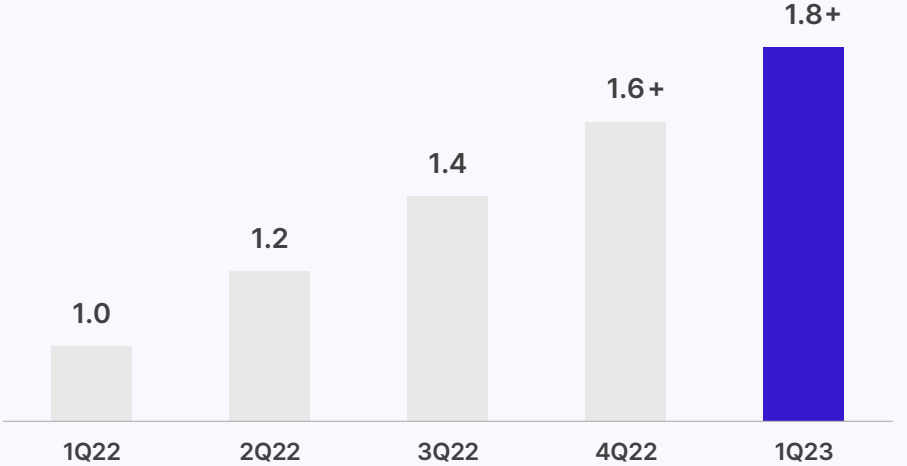
\* Recalculated due to changes in GMV basis and addition of businesses

(KRW bn)



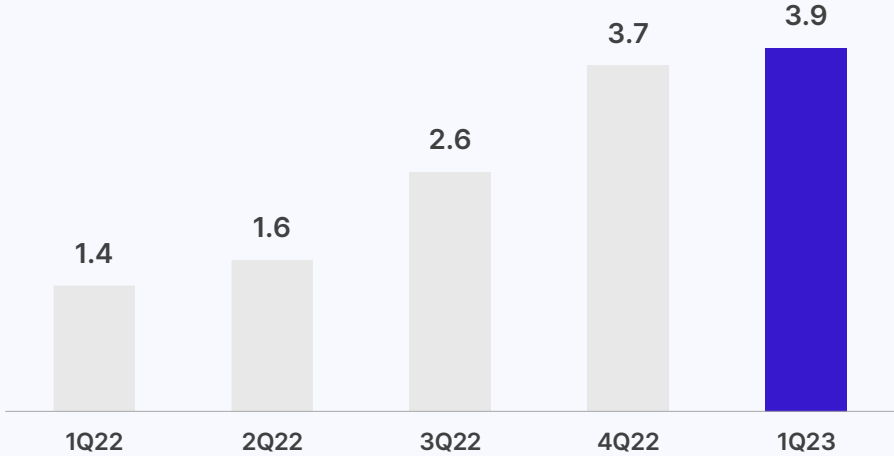
## Subscription subscribers (T universe)

(million)



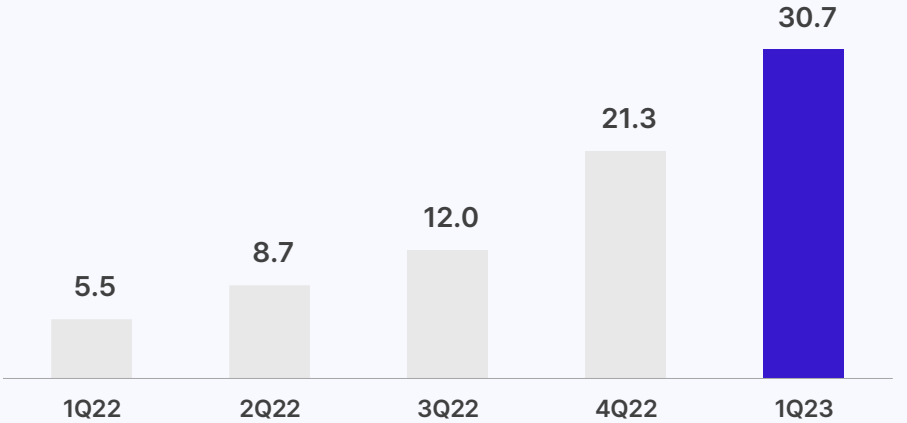
## ifland MAU

(million)



## Ifland cumulative downloads

(million)



# Business Highlights

AIVERSE

- (AI) Aim to create synergy with A.dot through a strategic partnership with Scatter Lab
- (Metaverse) Dominate the metaverse social media market and become a globally leading metaverse type social media
- (Subscription) Add to the line-up products of partners most preferred by customers

Accelerate the growth of T Universe through partnerships with impactful products

## AI – Scatter Lab

Equity Investment of 15b<sup>KRW</sup> in April (7.0% share)

- Developed Lee Luda and Kang Daon that can hold friendly conversations
- Top-tier in empathetic conversational AI service in Korea



## Metaverse service - if home

### • Differentiated competitiveness

- 3D based social media
- Social activities where daily lives and metaverse experiences are shared with friends



### • Expand the economic system

- Plan to link it to an economic system where users can purchase 3D content and functional items

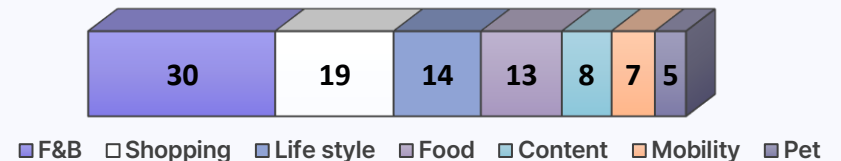
## T universe partners

- Grow the list of partners focused on F&B, shopping, and content that subscribers consume frequently

### • Number of partners



### • Types of partners<sup>1Q23</sup>



### • Key new partners in 2023



1Q23 Financial Results

Business Highlights

## **Shareholder Return**

Appendix



# Shareholder Return

Q1 DPS determined at KRW 830

## Recent dividend trend

Category	2020	2021	2022					2023
			1Q	2Q	3Q	4Q	Total	1Q
Total dividend (KRW bn)	715.1	717.0	180.9	181.0	181.0	181.0	723.8	181.3
DPS <sup>1)</sup> (KRW)	2,000	3,295 <sup>2)</sup>	830	830	830	830	3,320	830
Dividend yield <sup>3)</sup>	4.1%	5.7%	1.4%	1.5%	1.6%	1.7%	6.8%	1.7%

1) Based on the number of shares after stock split (5:1)

2) Total dividend payouts for 2021 divided by the total outstanding shares as of the end of 2021

3) Dividend yield is the ratio between the DPS and the arithmetic mean of the stock prices for one week that ends two trading days before the dividend record date

1Q23 Financial Results

Business Highlights

Shareholder Return

**Appendix**



### Consolidated Income Statement

(KRW bn)	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23
Operating revenue	16,748.6	4,277.2	4,289.9	4,343.4	4,394.5	17,305.0	4,372.2
Operating expenses	15,361.4	3,844.8	3,830.3	3,877.9	4,140.0	15,692.9	3,877.4
Labor cost	2,300.8	637.1	593.2	581.5	638.0	2,449.8	617.6
Commissions paid	5,426.1	1,310.2	1,370.9	1,384.6	1,453.0	5,518.8	1,356.2
Advertising	233.4	49.2	54.9	53.6	94.7	252.4	43.6
Depreciation <sup>1)</sup>	3,819.8	946.3	940.7	933.5	934.8	3,755.3	933.3
Network interconnection	749.6	189.4	185.3	180.0	160.6	715.3	172.5
Leased line and frequency usage fees	310.1	67.6	61.1	68.9	70.8	268.4	72.0
Cost of goods sold	1,167.4	307.6	267.7	304.7	388.1	1,268.1	314.2
Others	1,354.2	337.3	356.6	371.0	399.9	1,464.8	368.1
<b>Operating income</b>	<b>1,387.2</b>	<b>432.4</b>	<b>459.6</b>	<b>465.6</b>	<b>254.5</b>	<b>1,612.1</b>	<b>494.8</b>
EBITDA	5,207.0	1,378.7	1,400.3	1,399.1	1,189.3	5,367.4	1,428.1
EBITDA margin	31.1%	32.2%	32.6%	32.2%	27.1%	31.0%	32.7%
Net profit or loss from non-operating items	331.0	(105.4)	(56.8)	(103.2)	(110.5)	(375.9)	(73.9)
Equity gains or losses	446.3	(38.4)	13.6	(51.0)	(5.8)	(81.7)	0.8
Income from continuing operations before tax	1,718.2	327.0	402.8	362.4	144.0	1,236.2	420.9
Income from spun-off operations	1,147.6	-	-	-	-	-	-
<b>Consolidated net income</b>	<b>2,419.0</b>	<b>220.3</b>	<b>258.1</b>	<b>245.6</b>	<b>223.7</b>	<b>947.8</b>	<b>302.5</b>
Majority interests	2,407.5	211.3	253.9	234.6	212.7	912.4	290.5
Minority interests	11.5	9.1	4.3	11.0	11.1	35.4	12.0
<b>Basic earnings per share (KRW)</b>	<b>7,191</b>	<b>953</b>	<b>1,147</b>	<b>1,059</b>	<b>959</b>	<b>4,118</b>	<b>1,314.0</b>

\* Reflecting horizontal spin-off in 2021 and minor readjustments made in 2Q22

1) Depreciation and amortization includes R&D related depreciation

### Consolidated Balance Sheet

(KRW bn)	12-31-21	3-31-22	6-30-22	9-30-22	12-31-22	3-31-23
<b>Total assets</b>	<b>30,911.3</b>	<b>30,574.7</b>	<b>30,648.4</b>	<b>30,529.8</b>	<b>31,308.2</b>	<b>30,539.6</b>
<b>Current assets</b>	<b>6,352.7</b>	<b>6,544.8</b>	<b>7,061.2</b>	<b>7,318.7</b>	<b>7,219.2</b>	<b>7,011.5</b>
Cash and short-term financial instruments <sup>1)</sup>	1,381.4	1,386.2	1,841.5	1,839.0	2,119.5	1,918.2
Accounts receivable	2,461.9	2,602.3	2,593.5	2,652.5	2,450.4	2,368.3
Other current assets	2,509.4	2,556.3	2,626.3	2,827.2	2,649.3	2,725.0
<b>Non-current assets</b>	<b>24,558.6</b>	<b>24,029.8</b>	<b>23,587.2</b>	<b>23,211.1</b>	<b>24,089.0</b>	<b>23,528.1</b>
PP&E and intangible assets	18,813.5	18,330.4	18,269.4	17,882.1	18,747.5	18,100.6
Investment assets	3,912.8	3,855.3	3,541.5	3,472.1	3,300.4	3,433.6
Other non-current assets	1,832.3	1,844.1	1,776.4	1,856.9	2,041.1	1,993.8
<b>Total liabilities</b>	<b>18,576.1</b>	<b>18,305.2</b>	<b>18,501.8</b>	<b>18,232.7</b>	<b>19,153.0</b>	<b>18,222.8</b>
<b>Current liabilities</b>	<b>6,960.4</b>	<b>6,935.3</b>	<b>7,575.9</b>	<b>7,429.0</b>	<b>8,046.5</b>	<b>7,202.9</b>
Short-term borrowings	13.0	168.0	13.0	13.0	143.0	13.0
Accounts payable	2,262.4	2,157.7	2,010.1	1,520.5	2,517.2	1,788.8
Other current liabilities	4,685.0	4,609.6	5,552.9	5,895.5	5,386.4	5,401.1
<b>Non-current liabilities</b>	<b>11,615.7</b>	<b>11,369.9</b>	<b>10,925.8</b>	<b>10,803.7</b>	<b>11,106.5</b>	<b>11,019.9</b>
Bonds payable & long-term borrowings	7,390.5	7,423.2	7,064.7	7,015.2	7,192.2	7,391.6
Deferred tax liabilities	941.3	978.7	862.8	849.7	763.8	842.0
Other non-current liabilities	3,283.9	2,968.0	2,998.3	2,938.8	3,150.5	2,786.3
<b>Total shareholders' equity</b>	<b>12,335.1</b>	<b>12,269.5</b>	<b>12,146.6</b>	<b>12,297.1</b>	<b>12,155.2</b>	<b>12,316.7</b>
Common stock and additional paid in capital	(11,593.2)	(11,529.5)	(11,519.0)	(11,507.7)	(11,536.6)	(11,515.1)
Retained earnings	22,437.3	22,297.1	22,376.7	22,457.0	22,463.7	22,549.8
Other comprehensive income/loss	735.2	738.0	500.5	556.0	391.2	488.4
Minority interests	755.8	763.9	788.3	791.8	836.9	793.7

\* Post spin-off numbers are reflected from the date of the spin-off in 2021

1) Includes cash & cash equivalents and short-term financial instruments



# Appendix

## Financial Statements - Non-consolidated

### Non-consolidated Income Statement

(KRW bn)	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23
<b>Operating revenue</b>	12,102.8	3,077.4	3,118.2	3,122.6	3,096.3	12,414.6	3,117.3
Mobile service revenue	10,257.1	2,587.1	2,615.8	2,625.4	2,634.4	10,462.7	2,627.0
Interconnection	512.2	132.4	129.3	125.1	98.7	485.5	115.4
Others	1,333.5	357.9	373.1	372.2	363.2	1,466.4	374.9
<b>Operating expenses</b>	10,988.5	2,720.5	2,737.3	2,733.9	2,901.7	11,093.5	2,701.6
Labor cost	953.8	291.9	237.7	214.7	248.7	993.0	233.1
Commissions paid	4,817.9	1,154.7	1,177.6	1,193.4	1,266.4	4,792.1	1,179.4
Marketing commissions	3,098.3	727.7	723.5	731.1	719.1	2,901.4	729.6
Other commissions	1,719.6	427.0	454.1	462.3	547.3	1,890.7	449.8
Advertising	118.0	16.9	34.9	30.6	78.9	161.3	27.0
Depreciation <sup>1)</sup>	2,914.2	713.3	704.5	705.2	704.6	2,827.6	705.0
Network interconnection	561.3	144.0	140.4	134.2	114.0	532.6	124.8
Leased line	85.7	20.5	21.2	22.3	23.2	87.3	24.7
Frequency usage fees	120.8	25.3	25.8	26.3	26.4	103.9	26.3
Others	1,416.7	353.7	395.1	407.3	439.6	1,595.6	381.3
<b>Operating income</b>	1,114.3	356.9	380.9	388.7	194.6	1,321.1	415.7
<i>EBITDA</i>	4,028.6	1,070.3	1,085.4	1,093.9	899.2	4,148.7	1,120.7
<i>EBITDA margin</i>	33.3%	34.8%	34.8%	35.0%	29.0%	33.4%	36.0%
<b>Net profit or loss from non-operating items</b>	255.0	(18.3)	(52.5)	44.0	(148.1)	(174.9)	85.9
<b>Income from continuing operations before tax</b>	1,369.3	338.6	328.4	432.7	46.6	1,146.3	501.6
<b>Net income</b>	1,073.8	252.0	224.5	305.1	87.9	869.5	422.2

1) Depreciation and amortization includes R&D related depreciation

### Non-consolidated Balance Sheet

(KRW bn)	12-31-21	3-31-22	6-30-22	9-30-22	12-31-22	3-31-23
<b>Total assets</b>	26,389.1	26,090.8	25,874.8	25,601.1	26,432.1	25,589.6
<b>Current assets</b>	4,681.5	4,767.3	5,056.4	5,189.1	5,498.5	5,118.4
Cash and short-term financial instruments <sup>1)</sup>	537.8	503.3	740.7	764.5	1,387.3	872.7
Accounts receivable	2,027.3	2,106.7	2,048.0	2,071.1	1,852.7	1,971.5
Other current assets	2,116.4	2,157.3	2,267.7	2,353.5	2,258.4	2,274.2
<b>Non-current assets</b>	21,707.6	21,323.5	20,818.5	20,412.0	20,933.7	20,471.2
PP&E and intangible assets	13,828.0	13,427.7	13,413.8	13,030.0	13,519.3	12,982.2
Investment assets	6,317.9	6,315.5	5,924.7	5,785.3	5,777.3	5,863.6
Other non-current assets	1,561.7	1,580.2	1,480.0	1,596.7	1,637.0	1,625.3
<b>Total liabilities</b>	15,526.2	15,309.5	15,367.1	15,085.4	16,048.7	14,900.5
<b>Current liabilities</b>	5,426.5	5,570.8	6,031.8	5,438.1	6,236.1	5,283.2
Accounts payable	2,228.2	1,845.8	2,025.2	1,364.6	2,414.1	1,498.0
Other current liabilities	3,198.2	3,725.1	4,006.6	4,073.5	3,822.0	3,785.2
<b>Non-current liabilities</b>	10,099.7	9,738.6	9,335.3	9,647.2	9,812.6	9,617.3
Bonds payable & long-term borrowings	6,135.4	6,097.0	5,819.5	6,162.8	6,345.9	6,461.2
Long-term payables	1,611.0	1,223.8	1,229.0	1,234.2	1,239.5	881.6
Other non-current liabilities	2,353.3	2,417.8	2,286.9	2,250.3	2,227.3	2,274.5
<b>Total shareholders' equity</b>	10,862.9	10,781.3	10,507.7	10,515.8	10,383.4	10,689.1
Common stock and additional paid in capital	(4,545.8)	(4,468.6)	(4,474.4)	(4,473.0)	(4,476.2)	(4,456.2)
Retained earnings	14,770.6	14,672.3	14,717.1	14,839.6	14,691.5	14,921.3
Other comprehensive income/loss	638.0	577.7	265.1	149.2	168.1	224.0

1) Includes cash & cash equivalents and short-term financial instruments

### Consolidated Income Statement

(KRW bn)	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23
Operating revenue	4,049.2	1,026.0	1,032.8	1,044.2	1,053.3	4,156.3	1,061.5
Operating expenses	3,773.6	949.9	954.6	964.5	981.5	3,850.6	985.3
Labor cost	569.9	144.0	145.8	151.0	156.3	596.9	160.6
Marketing expense	385.5	93.2	91.1	88.8	86.2	359.3	90.0
Commissions paid	1,135.2	285.7	290.6	290.9	297.2	1,164.7	284.4
Interconnection	123.0	30.9	30.5	30.1	29.8	121.2	31.4
NW lease expense	119.9	30.4	31.8	33.4	34.5	130.0	34.3
Others	494.4	120.7	122.9	129.9	134.9	508.3	144.5
Depreciation	945.7	245.1	241.9	240.5	242.6	970.2	240.0
Operating income	275.6	76.1	78.2	79.7	71.8	305.7	76.1
EBITDA	1,221.3	321.2	320.1	320.2	314.4	1,275.9	316.1
EBITDA margin	30.2%	31.3%	31.0%	30.7%	29.9%	30.7%	29.8%
Non-operating income	(16.1)	(8.8)	(5.4)	(6.2)	(4.9)	(25.3)	(9.4)
Income before tax	259.5	67.3	72.7	73.5	66.9	280.4	66.7
Net income	198.3	50.9	52.9	55.4	58.0	217.3	50.6

### Consolidated Balance Sheet

(KRW bn)	12-31-21	3-31-22	6-30-22	9-30-22	12-31-22	3-31-23
<b>Assets</b>	5,997.8	5,931.6	6,103.6	6,120.9	6,293.9	6,448.2
<b>Current assets</b>	1,252.9	1,322.7	1,530.2	1,605.1	1,348.3	1,614.8
Cash & cash equivalents	407.7	436.7	649.4	583.6	368.0	651.9
Short-term financial instruments	10.5	10.5	20.5	39.1	10.3	10.9
Inventories	24.2	22.3	24.8	24.9	20.8	17.6
Other current assets	810.5	853.1	835.5	957.5	949.2	934.3
<b>Non-current assets</b>	4,744.9	4,608.9	4,573.4	4,515.9	4,945.6	4,833.4
Tangible assets	3,127.6	3,013.8	2,976.2	2,975.1	3,116.4	3,000.0
Real estate investments	8.5	8.4	8.4	8.3	29.3	29.3
Other intangible assets	790.5	765.7	745.1	728.3	740.7	727.4
Other non-current assets	818.4	820.9	843.8	804.1	1,059.2	1,076.7
<b>Liabilities</b>	3,130.2	3,022.7	3,139.1	3,072.9	3,173.5	3,484.4
<b>Current liabilities</b>	1,433.8	1,243.1	1,439.1	1,790.8	1,707.8	1,926.5
Accounts payable	740.8	639.1	742.1	775.6	849.1	962.5
Short-term borrowings and notes payable	454.1	334.2	431.0	777.5	614.5	672.5
Other current liabilities	238.9	269.9	265.9	237.7	244.3	291.6
<b>Non-current liabilities</b>	1,696.4	1,779.6	1,700.0	1,282.1	1,465.6	1,557.9
Long-term trade payables	3.9	3.8	3.8	0.9	0.0	(1.0)
Long-term borrowings and notes payable	1,255.1	1,326.3	1,245.2	852.4	846.3	922.5
Other non-current liabilities	437.4	449.5	451.0	428.9	619.3	635.3
<b>Equity</b>	2,867.7	2,908.9	2,964.6	3,048.0	3,120.5	2,963.8
Common stock	2,007.3	2,007.3	2,007.3	2,007.3	2,010.2	2,010.2
Additional paid in capital	645.7	645.7	645.6	645.7	657.7	657.7
Retained earnings	205.6	253.7	308.3	395.6	454.5	299.7
Other comprehensive income/loss	9.1	2.2	3.4	(0.6)	(2.0)	(3.9)

### Subscribers

(Thousands)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	YoY	QoQ
SKT											
MNO Subscribers <sup>1)</sup>	29,308	29,383	29,422	29,696	29,832	30,250	30,440	30,452	30,552	2.4%	0.3%
Net adds	219	74	39	274	136	418	190	12	100	△26.5%	702.8%
Activations	956	777	788	1,057	837	1,076	914	660	757	△9.6%	14.6%
Deactivations	737	702	750	782	701	658	724	648	657	△6.3%	1.4%
Monthly Churn	0.8%	0.8%	0.8%	0.9%	0.8%	0.7%	0.8%	0.7%	0.7%	△0.1%	-
Handset subs	24,042	23,982	23,906	23,750	23,678	23,587	23,402	23,278	23,275	△1.7%	-
LTE subs	21,251	20,475	19,644	18,782	17,981	17,645	17,201	16,367	15,750	△12.4%	△3.8%
5G subs	6,736	7,696	8,650	9,874	10,879	11,682	12,468	13,393	14,148	30.0%	5.6%
Total Mobile Subs <sup>2)</sup>	31,520	31,626	31,595	31,884	32,129	32,559	32,831	32,836	33,010	2.7%	0.5%
SKB											
Pay TV Subscribers	8,686	8,806	8,913	9,000	9,094	9,167	9,250	9,323	9,401	3.4%	0.8%
IPTV subs	5,782	5,920	6,035	6,137	6,246	6,328	9,416	6,504	6,592	5.5%	1.3%
CATV subs	2,904	2,886	2,878	2,863	2,848	2,839	2,834	2,819	2,809	△1.4%	△0.3%
High speed internet	6,508	6,539	6,560	6,580	6,608	6,633	6,669	6,704	6,757	2.2%	0.8%
CAPEX (KRW bn)											
SKT	165	683	306	1,025	197	658	269	1,091	134	△32.0%	△87.8%
SKB	55	166	204	397	82	148	189	401	78	△4.7%	△80.4%

1) Excludes MVNO & other connections

2) Includes MVNO connections, excludes other connections

### ARPU

(KRW)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	YoY	QoQ
<b>ARPU<sup>1)</sup></b>	30,213	30,446	30,669	30,740	30,401	30,656	30,633	30,495	30,101	△1.0%	△1.3%
<b>ARPU including MVNO</b>	28,124	28,395	28,600	28,820	28,492	28,706	28,636	28,495	28,120	△1.3%	△1.3%

1) Calculation of SKT MNO revenue (2G/3G/LTE/5G and IoT): Includes revenue from voice/data service (excludes activation fees and interconnection revenue), and revenue from additional service, Reflected revenue discount (discounts from contract and product bundling), Excludes MVNO related revenue

Calculation of SKT mobile subscribers (2G/3G/LTE/5G and IoT): Based on MSIT subscriber statistics (average number of billed connections for the quarter)

**SK** telecom