



## SK Telecom Announces 2Q 2022 Earnings Results

- SKT posts revenue of KRW 4.290 trillion, operating income of KRW 459.6 billion, and net income of KRW 258.1 billion.
- The company's successful growth strategy centered around five business groups leads to tangible outcome.
- SKT continues to solidify its MNO market leadership and further increases customer choice by releasing new 5G price plans.
- SK Broadband achieves the highest net additions of IPTV subscribers in the market and the quarterly revenue for the Media Business increased by 22.3% YoY.
- The Enterprise Business centered around data center and cloud posts a two-digit growth compared to the same period of last year.
- SKT's subscription-based services reach GMV of KRW 260 billion in the first half of 2022 and Ifland continues to attract more users.

**Seoul, Korea, August 9, 2022** – SK Telecom (NYSE:SKM, hereinafter referred to as “SKT”) today announced its earnings for the second quarter of 2022 on a K-IFRS consolidated basis: revenue of KRW 4.290 trillion, operating income of KRW 459.6 billion, and net income of KRW 258.1 billion.

Compared to the same period last year, SKT's consolidated revenue and operating income increased by 4% and 16.1%, respectively, thanks to the growth of its key business areas including MNO, IPTV, data center and cloud. Net income decreased by 67.6% due to factors including the exclusion of equity method gains from SK Hynix.

On a non-consolidated basis, SKT's revenue rose by 3.2% year-on-year (YoY) to stand at KRW 3.118 trillion, and its operating income expanded by 16% YoY to KRW 380.9 billion. The growth was backed by the company's strong performance in the fixed and mobile telecommunication business and enterprise business, which includes cloud solutions.

SK Broadband's revenue increased by 3.6% YoY to KRW 1.033 trillion, while its operating income expanded by 21.8% to KRW 78.2 billion. It achieved the highest net additions of IPTV subscribers in the market in the first half of this year.

SKT stated that it is achieving strong performance thanks to even growth of its key five business groups, which have been actively promoted as the company's new growth drivers.



The company has further strengthened its leadership in the fixed and mobile telecommunications market. As the number of its 5G subscribers surpassed 10 million in the previous quarter, taking up half of its total mobile subscriber base, SKT recently launched a new price plan to strengthen customer choice and service competitiveness. Supported by quantitative growth of SK Broadband, the Media Business posted quarterly revenue of KRW 382.1 billion, up 22.3% YoY.

The Enterprise Business, which includes data center and cloud, achieved two-digit YoY growth for two consecutive quarters as its revenue expanded by 13.8% YoY to KRW 374.3 billion. With the increasing demand for data centers, the revenue is expected to grow further. The cloud business is expanding rapidly as its revenue increased by 133% YoY.

SKT's subscription service reached a Gross Merchandise Volume (GMV) of KRW 260 billion in the first half of this year. In particular, T Universe is showing steady growth mainly among people in their 20s to 40s, exceeding 1.2 million subscribers. Ifland, which recently marked one-year anniversary since launch, surpassed 1.63 million monthly active users (MAU) and 8.7 million cumulative downloads.

Recently, SKT and Hana Financial Group signed a share-swap deal worth around KRW 400 billion and entered into a strategic partnership agreement. As it has led innovations through collaboration with partners from many different industries, SKT plans to drive a new wave of innovations through convergence between ICT and finance.

“As we enter into the next chapter in our corporate history, we are generating tangible results by achieving even growth in our key five business groups,” said Kim Jin-won, Chief Financial Officer of SKT. “We will do our utmost so that our sustained growth and innovations will lead to the enhancement of shareholder value.”

※ **Attachment 1. Summary of Consolidated Income Statement** (Unit: KRW billion)

Type	Year-on-year			Quarter-on-quarter		
	2022 2Q	2021 2Q	Change	2022 2Q	2022 1Q	Change
Revenue	4,289.9	4,125.1	4.0%	4,289.9	4,277.2	0.3%
Operating Income	459.6	395.7	16.1%	459.6	432.4	6.3%
Net Income	258.1	795.7	-67.6%	258.1	220.3	17.2%

\* The horizontal spin-off in 2021 is reflected in the figures.

※ **Attachment 2. Summary of Non-Consolidated Income Statement** (Unit: KRW billion)

Type	Year-on-year			Quarter-on-quarter		
	2022 2Q	2021 2Q	Change	2022 2Q	2022 1Q	Change
Revenue	3118.2	3021.6	3.2%	3118.2	3,077.4	1.3%
Operating Income	380.9	328.4	16.0%	380.9	356.9	6.7%
Net Income	224.5	184.0	22.0%	224.5	252.0	-10.9%

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### About SK Telecom

SK Telecom (NYSE:SKM) is Korea's leading ICT company, driving innovations in fixed & wireless telecommunications, AI service, and digital infrastructure service. Armed with cutting-edge ICT including AI and 5G, the company is ushering in a new level of convergence to deliver unprecedented value to customers. As the global 5G pioneer, SKT is committed to realizing the full potential of 5G through ground-breaking services that can improve people's lives, transform businesses, and lead to a better society.

SKT boasts unrivaled leadership in the Korean mobile market with over 30 million subscribers, which account for nearly 50 percent of the market.

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