

## SKT Announces FY 2022 Results

- Posts revenue of KRW 17.305 trillion, operating income of KRW 1.612 trillion, and net income of KRW 947.8 billion
- Creates a strong growth path by achieving strong performance in all five business groups
- Plans to make aggressive efforts to make a leap as an AI company and generate tangible results

**Seoul, Korea, February 08, 2023** –SK Telecom (NYSE:SKM, hereinafter referred to as “SKT”) today announced its earnings for the year 2022 on a K-IFRS consolidated basis: revenue of KRW 17.305 trillion and operating income of KRW 1.612 trillion.

Compared to last year, SKT’s consolidated revenue and operating income increased by 3.3% and 16.2%, respectively, thanks to even growth in all business areas including Fixed and Mobile Telecommunications, Media and Enterprise. Net income dropped by 60.8% to KRW 947.8 billion due to factors including the exclusion of equity method gains from SK Hynix.

On a non-consolidated basis, SKT’s revenue rose by 2.6% year-on-year (YoY) to KRW 12.415 trillion and its operating income expanded by 18.6% YoY to KRW 1.321 trillion. Non-consolidated net income stood at KRW 869.5 billion.

SK Broadband’s revenue increased by 2.6% YoY to KRW 4.156 trillion and its operating income expanded by 10.9% YoY to KRW 305.7 billion, thanks to the growth of pay TV subscribers and enterprise business.

The Fixed and Mobile Telecommunications Business is sustaining growth centered around SKT’s MNO market leadership. As of 2022, the number of SKT’s 5G subscribers stood at 13.39 million, taking up over 50% of its total mobile subscriber base. SK Broadband also continued its growth by attracting a total of 9.32 million pay TV subscribers as of the end of 2022.

The Media Business posted revenue of KRW 1.537 trillion, up 20.8% YoY. Based on strong fixed and mobile telecommunications market leadership, it achieved growth in areas including content, advertising and commerce. The company will continue to strengthen its advertising and commerce business by utilizing AI technologies.



The Enterprise Business - centered around data center and cloud - recorded revenue of KRW 1.509 trillion, representing a 12.5% YoY growth, thanks to increased utilization of data centers located in Gasan and Siksa and growth of cloud traffic. With structural growth expected in data center and cloud businesses, SKT plans to improve profitability through enhanced operational efficiency. The company also will actively promote businesses using diverse AI technologies and solutions including robots and vision AI.

Within the AIVERSE business, 'T Universe' achieved a total GMV of approximately KRW 570 billion, exceeding the target set at the beginning of 2022. As of December 2022, the number of T Universe subscribers increased by 60% compared to the first quarter. Since its global launch in December 2022, SKT's metaverse service 'ifland' has been generating encouraging results, attracting more than 10% of monthly active users (MAU) in the overseas markets. ifland will strengthen its economic system by introducing in-app payment this year.

For the fourth quarter of 2022, SKT decided to pay out a dividend of KRW 830 per share. Including the previously paid quarterly dividends of KRW 2,490, the company's total dividend for 2022 will be KRW 3,320, a 66% increase from 2020 before the horizontal spin-off. This will be finalized after gaining approval at the general shareholders' meeting to be held in March 2022.

Based on strong performance of its five key business groups, SKT is set to transform into an AI company and continue to generate tangible results.

In the B2C market, the company has already proven its advanced technology by applying the world's first Korean version of GPT-3 to 'A.' In February, it will further upgrade A. by adopting 'long-term memory' technology that remembers old information and uses it for conversation, and 'multi-modal' technology that can understand complex information such as text, photos and voice.

Through the development of sophisticated technologies as well as establishment of partnerships with diverse companies in areas including ChatGPT, SKT will officially launch A. in Korea within this year.

Moreover, SKT has chosen UAM as a key future service and is making efforts to secure leadership in this area. The company has formed the K-UAM Dream Team Consortium to participate in UAM projects in Korea and is moving fast to commercialize Korea's first UAM service by 2025.



The company also entered into an exclusive partnership with Joby Aviation, a global leading company developing electric vertical take-off and landing (eVTOL) aircrafts, and is focusing on securing advanced communications network and service platform operation capabilities. At CES 2023, SKT's key executives met with Joby executives to discuss close cooperation between the two companies.

“With our key five business groups generating tangible results, we were able to set ourselves on a growth path in 2021,” said Kim Jin-won, Chief Financial Officer of SKT. “This year, based on our strong performance, we will make a leap as an AI company and achieve greater shareholder value.”

※ The conference call in regard to SK Telecom’s earnings results for the year 2022 can be heard via SK Telecom’s webpage on Wednesday, February 8, from 15:00 Seoul Time.

Link: [https://irsvc.teletgether.com/skt/skt2022Q4\\_eng.php](https://irsvc.teletgether.com/skt/skt2022Q4_eng.php)

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

Type	Year-on-year			Year-on-year		
	2022	2021	Change	2022 4Q	2021 4Q	Change
Revenue	17,305.0	16,748.6	3.3%	4,394.5	4,295.3	2.3%
Operating Income	1,612.1	1,387.2	16.2%	254.5	224.2	13.5%
Net Income	947.8	2,419.0	- 60.8%	223.7	314.8	- 28.9%

\* 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			Year-on-year		
	2022	2021	Change	2022 4Q	2021 4Q	Change
Revenue	12,414.6	12,102.8	2.6%	3,096.3	3,073.1	0.8%
Operating Income	1,321.1	1,114.3	18.6%	194.6	159.1	22.3%
Net Income	869.5	1,073.8	- 19.0%	87.9	265.4	- 66.9%

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About SK Telecom



SK Telecom has been leading the growth of the mobile industry since 1984. Now, it is taking customer experience to new heights by extending beyond connectivity. By placing AI at the core of its business, SK Telecom is rapidly transforming into an AI company. It is focusing on driving innovations in areas of telecommunications, media, AI, metaverse, cloud and connected intelligence to deliver greater value for both individuals and enterprises.

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