

# SK discovery

## Earnings Release

4Q 2024



# Disclaimer



The financial information in this document are consolidated earnings results based on K-IFRS.

Forecasts and projections contained herein are based on current business environment and management strategies.

Please note it may differ from actual results, due to uncertainties including changes in the future business environment and unaccounted variables.

***We make a better world with a new view.***

***Beyond the Limits Discover, Connect, Create***



***“SK discovery seeks to achieve outstanding results  
by rightly performing tasks that are helpful to the world.”***

# Financial Highlights

\* FY24, Consolidated Basis

<b>Assets</b> KRW <b>15,078</b> bn	<b>Operating Profit</b> KRW <b>173</b> bn	<b>Operating Margin</b> <b>1.9%</b>
<b>Revenue</b> KRW <b>9,040</b> bn	<b>Net Profit</b> KRW <b>32</b> bn	<b>ROE</b> <b>0.9%</b>



# Contents

**Part 1. Company Introduction**

**Part 2. 4Q 2024 Earnings**



# Overview

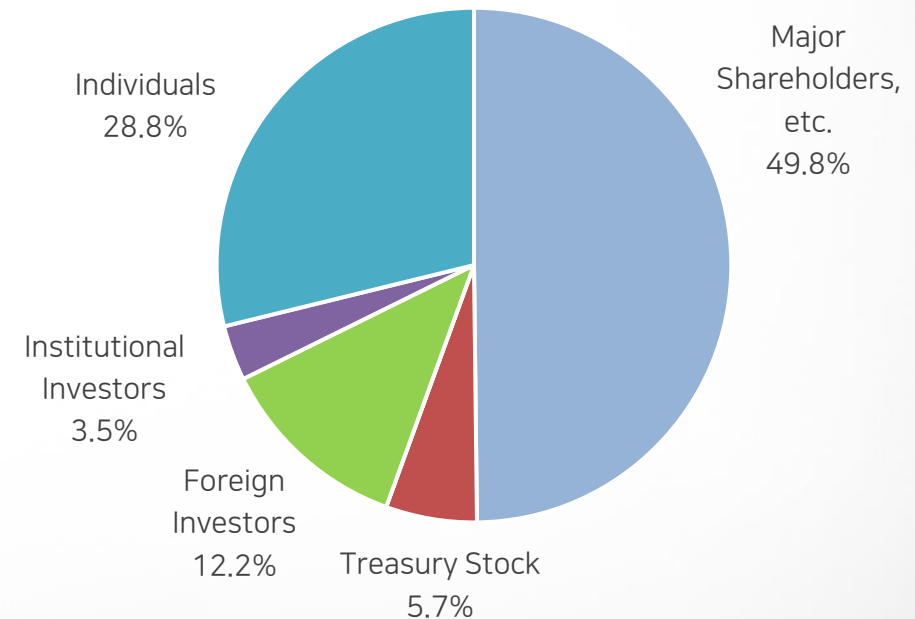
Following the spin-off of SK discovery(holding company) from SK Chemicals, with SK Chemicals remaining as the operating company, SK discovery was re-listed as a pure holding company in January 2018.

## Overview

- Date of Establishment : July 1, 1969
- Date of Initial Listing : June 29, 1976 (KOSPI)
- Date of Re-listing : January 5, 2018
- Industry : Pure Holding Company
- CEO : Chang-won Chey, Hyun-ho Son
- Share Outstanding : 18,785,855  
(Common shares, as of Dec. 31, 2024)
- Market Cap : KRW 729bn  
(Common shares, as of Dec. 31, 2024)

\* SK chemicals was re-listed on January 5, 2018

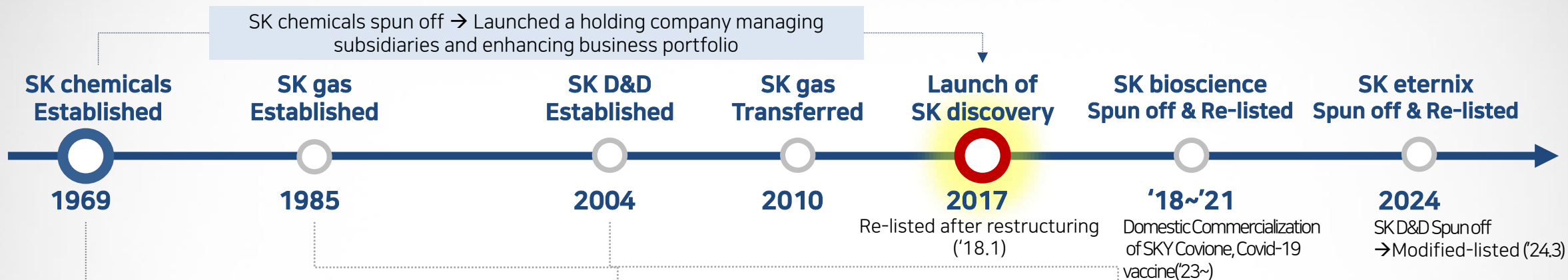
## Shareholder Structure



\* Common shares, as of Dec. 31, 2024



# History



## SK chemicals

- 1969 Established Sunkyong Synthetic Fiber Co., Ltd.
- 1976 Listed on KOSPI
- 1987 Acquired Samshin Pharmaceutical
- 2000 Established Huvis
- 2001 Acquired Dongshin Pharmaceutical
- 2012 Completed construction of L House(Andong)
- 2015 Established SK plasma(plasma-derivatives)
- 2017 SK discovery launched as holding company
- 2018 Spun off SK bioscience (vaccine business unit)
- 2021 SK bioscience listed on KOSPI

## SK gas

- 1985 Established Yugong Gas
- 1997 Listed on KOSPI
- 2007 Established SKGI (Singapore subsidiary)
- 2010 Became an affiliate of SK Chemicals
- 2014 Established SK advanced
- 2014 Entered coal-fired power generating business (Goseong Green Power)
- 2018 Received approval for Dangjin Eco Power PJT
- 2019 Participated in Korea Energy Terminal PJT
- 2022 Broke ground on Ulsan GPS(UGPS)
- 2022 Established Lotte SK Eneroot, a hydrogen business JV

## SK D&D

- 2004 Established Aperon
- 2008 Entered real estate development business
- 2009 Commenced commercial operation of solar power generation
- 2014 Became an affiliate of SK Gas
- 2014 Commenced commercial operation of Gasiri Wind Power Plant in Jeju
- 2015 Listed on KOSPI
- 2018 Investment from Hahn & Co.; established DDI
- 2021 Entered fuel cell business
- 2022 Established DDLS through a physical spin-off
- 2024 Spun off the renewable energy business

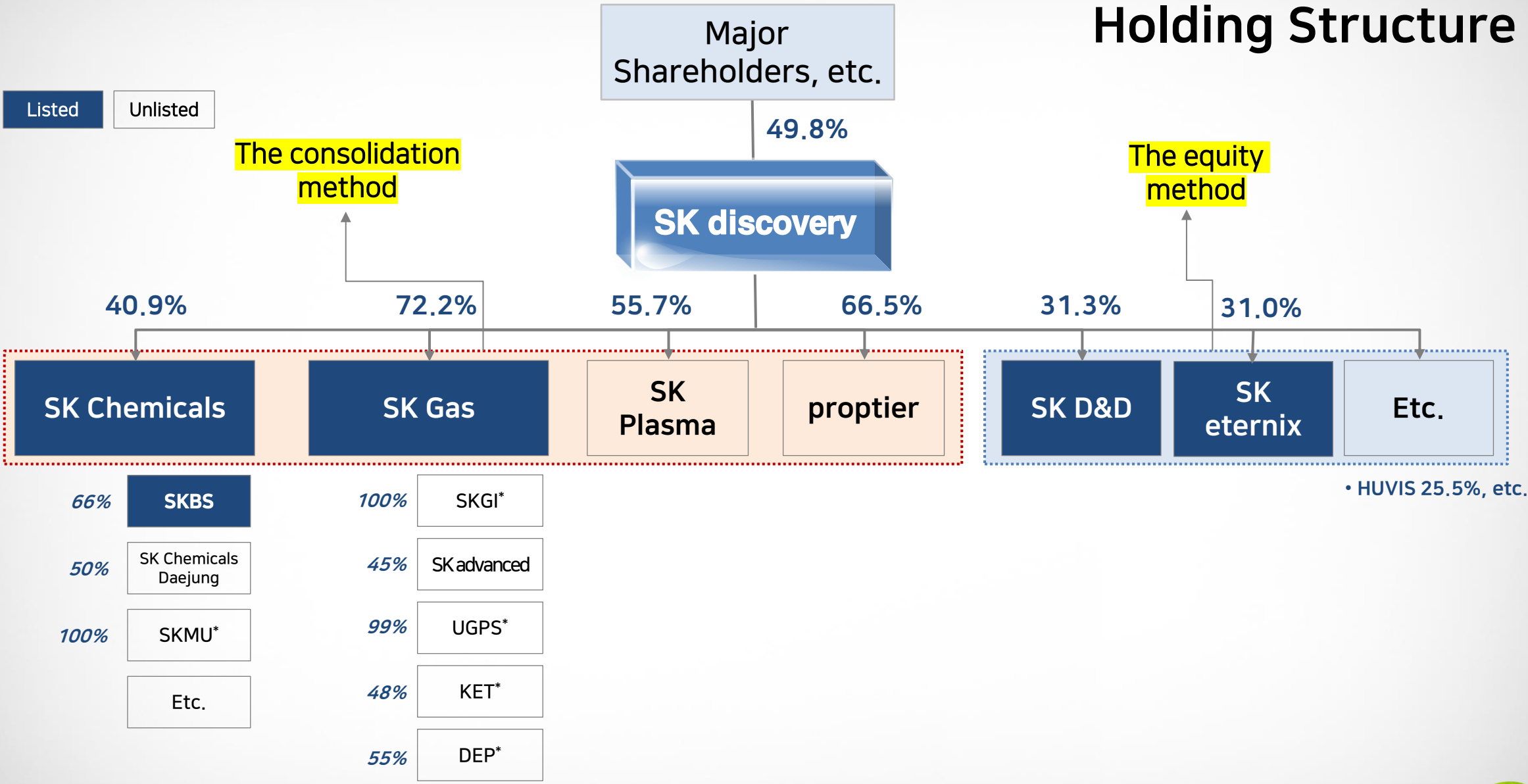
# Affiliated Companies

(Unit: KRW bn)

	Business	Market Cap	Financial Results(FY24)
		Common shares, as of Dec. 31, 2024	Revenue/Profit Before Tax (Consolidated)
	Holding Company	729	9,040 / 50
	Green Chemicals + Life Science	764	1,737 / Δ27
	LPG	1,911	7,096 / 240
	Vaccine	3,949	268 / Δ89
	Plasma Derivatives	(Unlisted)	208 / Δ4
	Real Estate Development	135	871 / 46
	Renewable Energy	406	332 / 28



# Holding Structure



※ Common shares, as of Dec. 31, 2024

\* SKMU : SK multiutility, SKGI : SK gas international(Singapore), UGPS : Ulsan Gas Power Station, KET : Korea Energy Terminal, DEP : Dangjin Eco-Power



# Financial Consolidated Basis

## Income Statement

(Unit: KRW bn)	FY22	FY23	FY24
Revenue	8,717	8,939	9,040
Operating Profit	362	257	173
Operating Margin	4.2%	2.9%	1.9%
Net Profit	534	248	32
Net Profit Attributable to Equity Holders of the Parent	427	191	25

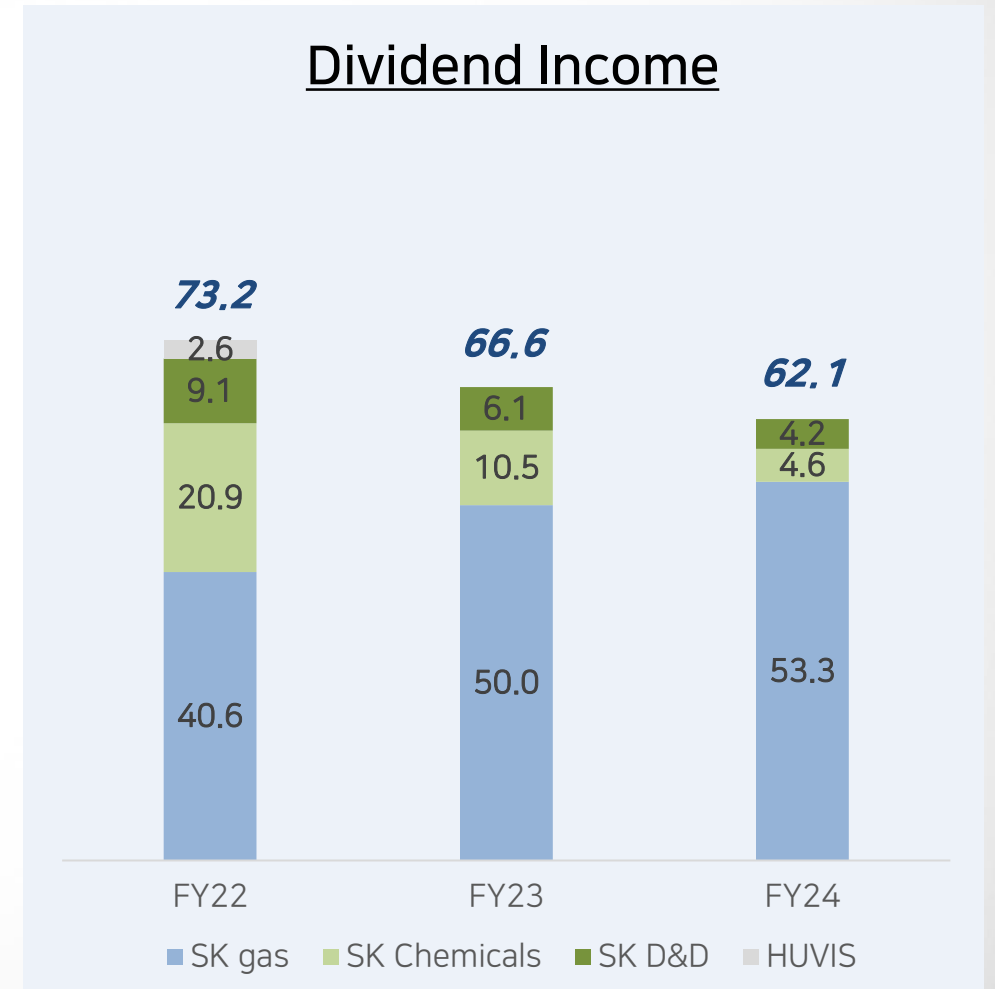
## Balance Sheet

(Unit: KRW bn)	FY22	FY23	FY24
Total Assets	11,780	12,251	15,078
Total Liabilities	5,827	6,181	8,624
Total Equity	5,953	6,070	6,453
ROE Attributable to Equity Holders of the Parent	16.3%	6.6%	0.9%
Debt to Equity Ratio	97.9%	101.8%	133.6%



# Financial\_Separate Basis

	(Unit: KRW bn)	FY22	FY23	FY24
<b>Income Statement</b>	Revenue	73	67	62
	Operating Profit	54	47	45
	Operating Margin	73.2%	70.5%	72.6%
	Net Profit	163	42	△7
<b>Balance Sheet</b>	Total Assets	1,663	1,752	1,802
	Total Liabilities	583	674	781
	Total Equity	1,080	1,079	1,020
	Debt to Equity Ratio	54.0%	62.4%	76.6%



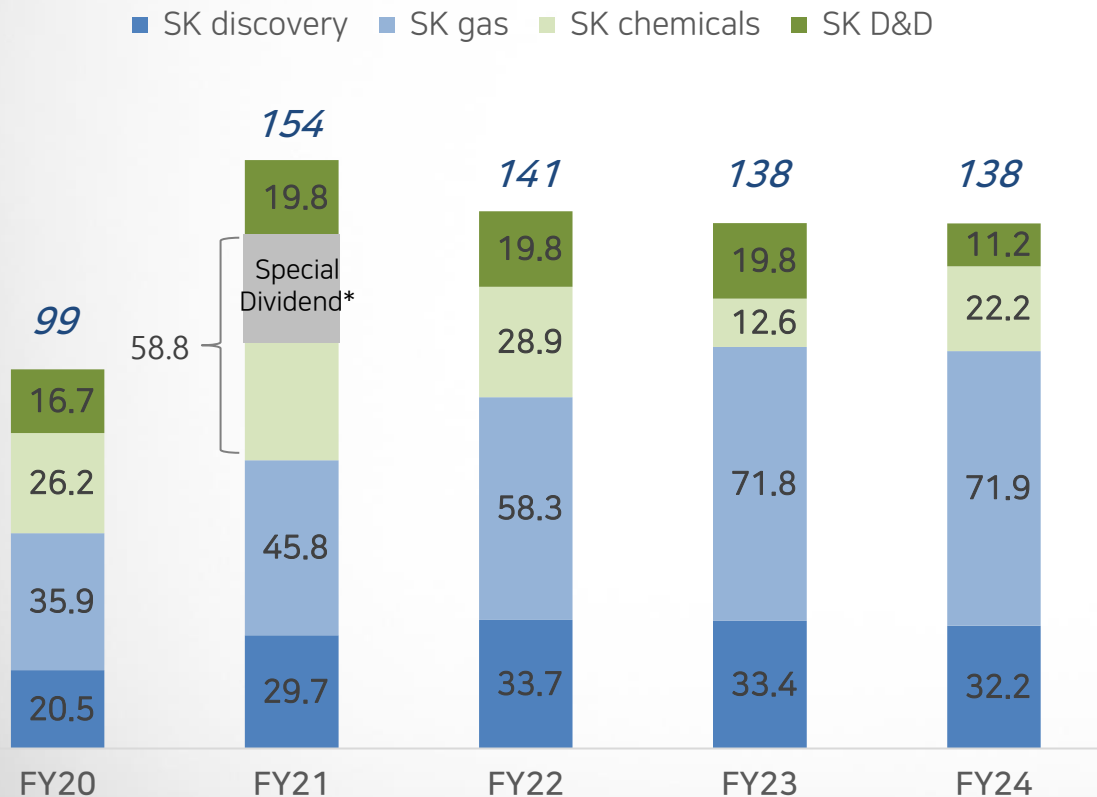
\* Cash In Basis



# Shareholder Return

SK discovery paid interim dividends, commenced a share buy-back program and established a new dividend procedure: 'determine the dividend amount first, then set the record date later'

Total Dividends (Unit: KRW bn)



\* A special dividend of SK chemicals in FY21

DPS & Dividend Yield

(Common shares, Unit: KRW)	FY20	FY21	FY22	FY23	FY24
discovery	1,000 (1.5%)	1,500 (3.2%)	1,700 (5.3%)	1,700 (4.3%)	1,700 (4.8%)
chemicals	2,000 (0.5%)	3,000* (2.0%)	1,500 (1.9%)	650 (1.0%)	1,150 (2.8%)
gas	4,000 (3.8%)	5,100 (3.8%)	6,500 (5.2%)	8,000 (5.3%)	8,000 (3.7%)
D&D	600 (1.4%)	800 (2.6%)	800 (3.5%)	800 (3.1%)	800 (8.3%)

※ Have paid interim dividends since 2022

Acquisition & Cancellation of Treasury Stock	Plan	<ul style="list-style-type: none"> <li>Announced to acquire &amp; cancel KRW 60bn worth treasury stocks for FY23~25</li> <li>- Aims to enhance shareholder value by increasing shareholder returns</li> </ul>
	Status	<ul style="list-style-type: none"> <li>Acquired&amp;canceled stock worth KRW 10bn ('23)</li> <li>Acquired&amp;canceled stock worth KRW 20bn ('24)</li> <li>Acquired stock worth KRW 30bn ('25)</li> </ul>

# Contents

Part 1. Company Introduction

**Part 2. 4Q 2024 Earnings**

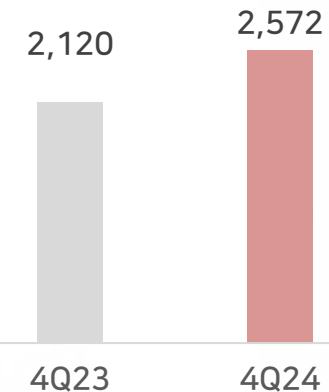


# SK discovery

Consolidated net income deficit narrowed YoY due to improved performance of subsidiaries such as SK gas and SK chemicals

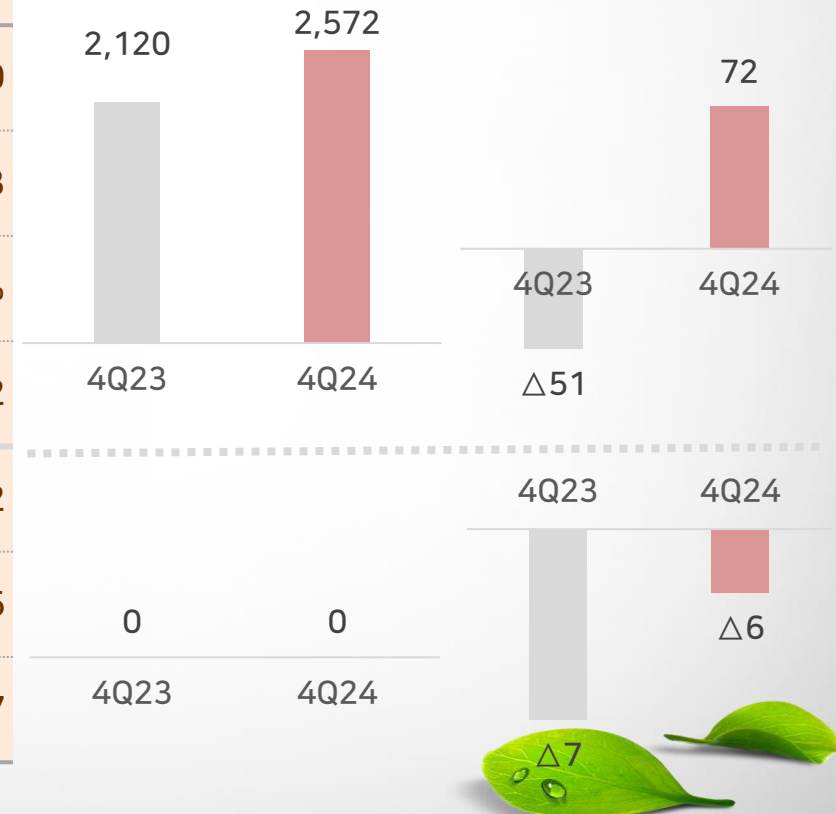
		<u>Performance</u>								
(Unit: KRW bn)		4Q23	3Q24	4Q24	YoY	QoQ	FY23	FY24		
Conso- lidated	Revenue	2,120	2,190	2,572	+21.3%	+17.5%	8,939	9,040		
	Operating Profit	△51	21	72	Turned to Profit	+244.5%	257	173		
	Operating Margin	<i>Loss</i>	<i>1.0%</i>	<i>2.8%</i>	-	<i>+1.9%p</i>	<i>2.9%</i>	<i>1.9%</i>		
	Net Profit	△21	38	△1	Loss Continued	Turned to Loss	248	32		
Separate	Revenue	0	17	0	-	-	67	62		
	Operating Profit	△7	14	△6	Loss Continued	Turned to Loss	47	45		
	Net Profit	3	6	△37	Turned to Loss	Turned to Loss	42	△7		

## Revenue



## Operating Profit

(Unit: KRW bn)



# SK chemicals

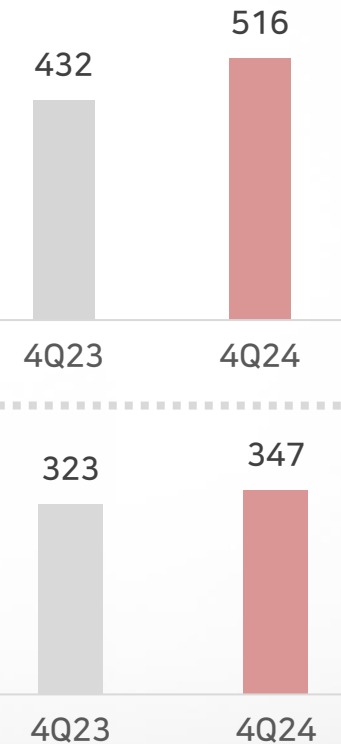
Redemption due to widening deficit of consolidated subsidiaries despite favorable performance of their own Copolyester business

## Performance

(Unit: KRW bn)

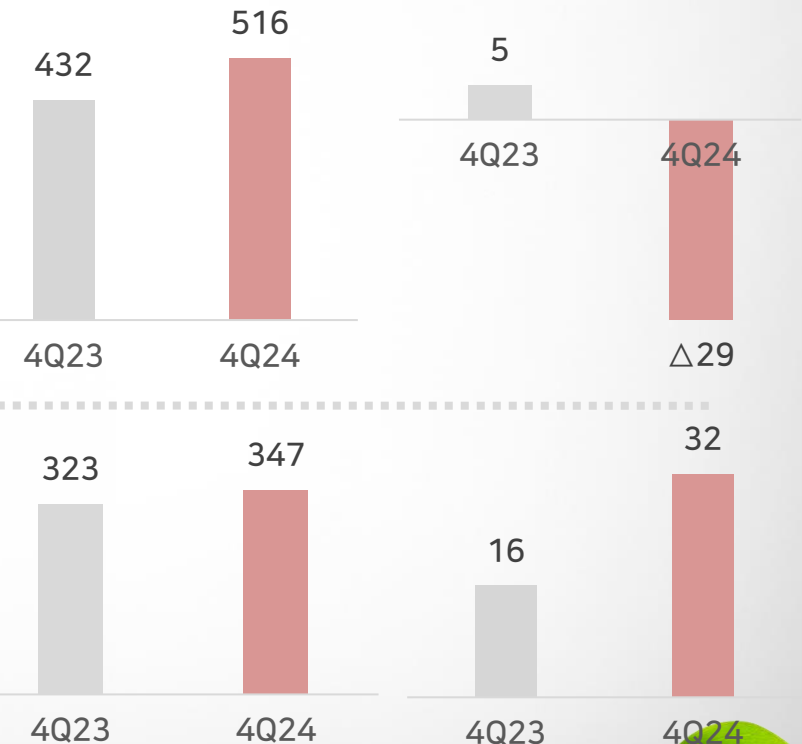
		4Q23	3Q24	4Q24	YoY	QoQ	FY23	FY24
Conso- lidated	Revenue	432	426	516	+19.5%	+20.9%	1,749	1,737
	Operating Profit	5	△12	△29	Loss Continued	Loss Continued	833	△45
	Operating Margin	1.2%	Loss	Loss	-	-	4.8%	적자
	Net Profit	△11	△11	10	Turned to Profit	Turned to Profit	48	△4
Separate	Revenue	323	332	347	+7.3%	+4.4%	1,233	1,341
	Operating Profit	16	29	32	+93.4%	+7.6%	85	111
	Operating Margin	5.1%	8.9%	9.2%	+4.1%p	+0.3%p	6.9%	8.3%
	Net Profit	7	15	20	+197.4%	+34.8%	42	70

## Revenue



## Operating Profit

(Unit: KRW bn)



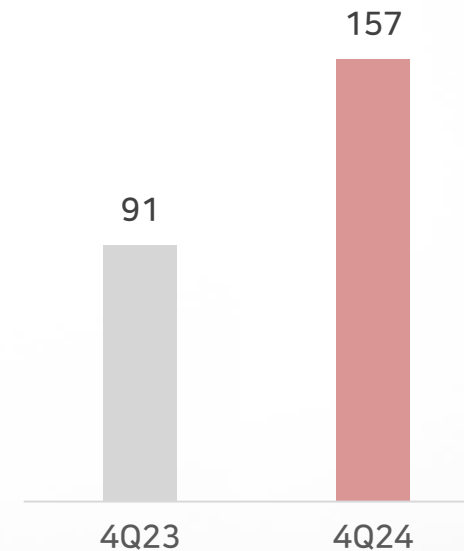
# SK bioscience

IDT Biologika's incorporation into the new consolidation has grown outward, but the deficit has increased due to intensifying product competition and increased investment

## Performance Consolidated Basis

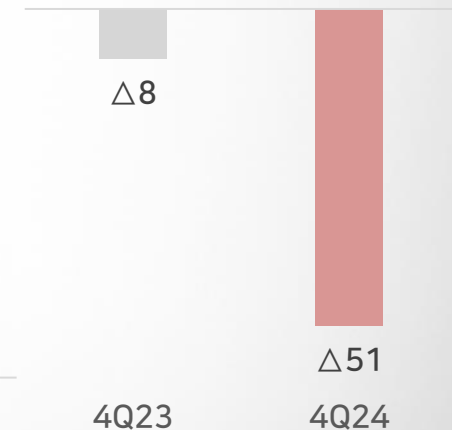
(Unit: KRW bn)	4Q23	3Q24	4Q24	YoY	QoQ	FY23	FY24
Revenue	91	62	157	+73.1%	+154.4%	370	268
Operating Profit	△8	△40	△51	Loss Continued	Loss Continued	△12	△138
Operating Margin	Loss	Loss	Loss	-	-	Loss	Loss
Net Profit	4	△22	△3	Turned to Loss	Loss Continued	22	△50

## Revenue



## Operating Profit

(Unit: KRW bn)



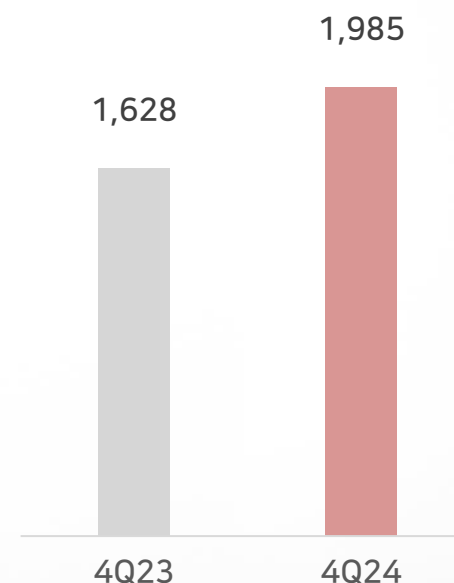
# SK gas

Improvement of operating profit due to stable operation of LPG business and start of commercial operation of Ulsan GPS (Dec. 2024)

## Performance Consolidated Basis

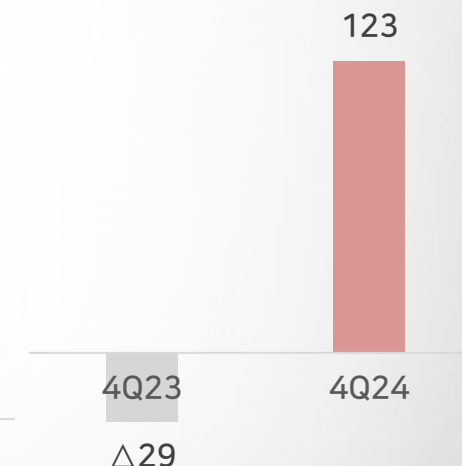
(Unit: KRW bn)	4Q23	3Q24	4Q24	YoY	QoQ	FY23	FY24
Revenue	1,628	1,734	1,985	+21.9%	+14.5%	6,992	7,096
Operating Profit	△29	43	123	Turned to Profit	+185.0%	304	287
Operating Margin	Loss	2.5%	6.2%	-	+3.7%p	4.3%	4.0%
Net Profit	33	73	46	+40.6%	△37.6%	316	178

## Revenue



## Operating Profit

(Unit: KRW bn)



### New Shareholder Return Policy

From dividends of FY24, the pay-out will be 25% or more of consolidated net profit attributable to equity holders of the parent & additional shareholder returns based on non-current profit will be considered as well (disclosed on Sep.13, 2023)



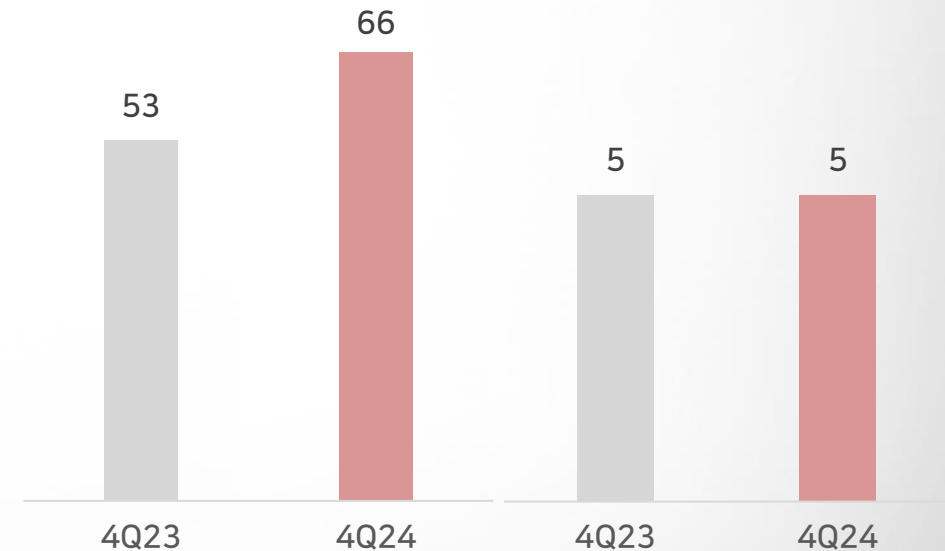
# SK plasma

Improve sales and operating profit, maintain operating profit surplus for 7 consecutive quarters due to expansion of sales lines and rising drug prices

## Performance Consolidated Basis

(Unit: KRW bn)	4Q23	3Q24	4Q24	YoY	QoQ	FY23	FY24
Revenue	53	53	66	+25.4%	+24.5%	173	208
Operating Profit	5	5	5	+10.6%	+7.9%	7	12
Operating Margin	9.2%	9.4%	8.1%	$\Delta 1.1\%p$	$\Delta 1.3\%p$	4.1%	5.6%
Net Profit	3	0	1	$\Delta 54.7\%$	+204.1%	$\Delta 4$	$\Delta 4$

## Revenue



## Operating Profit

(Unit: KRW bn)



# SK D&D / SK eternix

SK D&D : Expand sales and profits by selling shares in Myeong-dong N Building, Dangsan Station Office Site, and Chungmu-ro Office

SK eternix : Profit growth, including Chilgok, Yakmok, Geumyang Fuel Cell Delivery, Jeju Gasi-ri Power Generation Sales, ESS Operating Revenue, etc

Expectations for the structuralization of solar power generation and power transactions (Solarix), offshore wind power in Sinanui, and fuel cells in Chungju in 25 years

## SK D&D Consolidated Basis

(Unit: KRW bn)	4Q23	3Q24	4Q24	YoY	QoQ	'23년	'24년
Revenue	40	63	686	+1,628%	+994%	3,851	8,709
Operating Profit	△19	3	49	Turned to Profit	+1,700%	1,776	537
Operating Margin	Loss	4.4%	7.2%	-	+2.8%p	46.1%	6.2%
Net Profit	△40	△1	33	Turned to Profit	Turned to Profit	1,031	442

## SK eternix Consolidated Basis

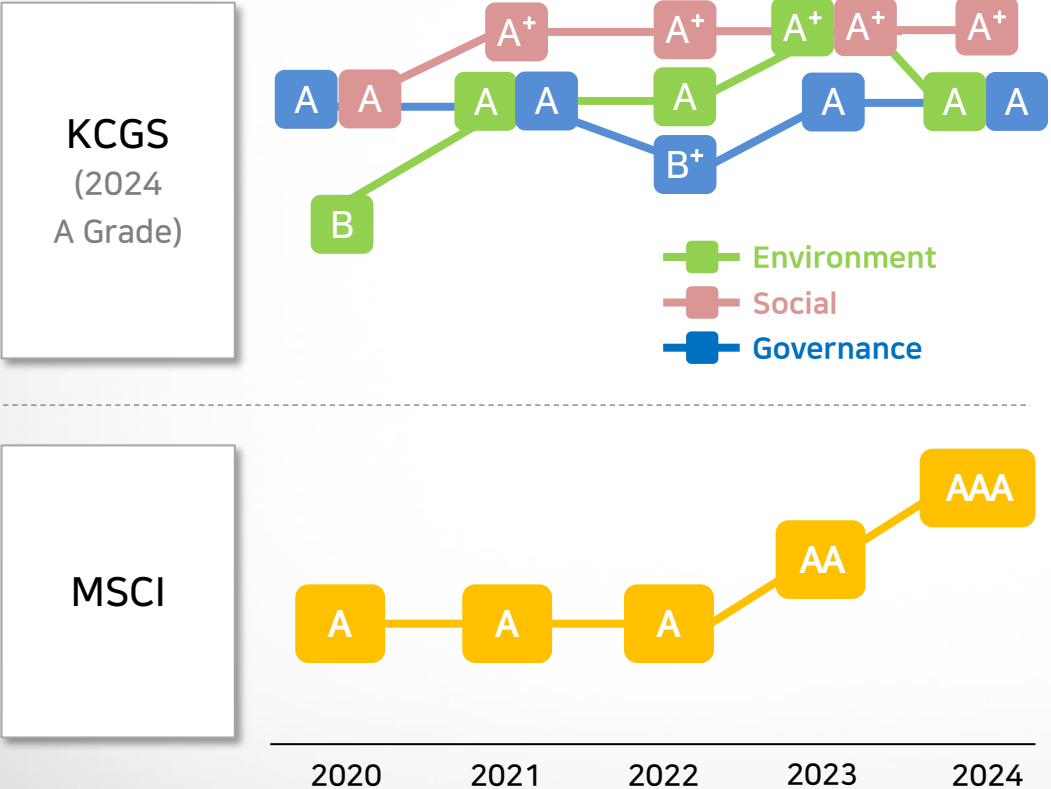
(Unit: KRW bn)	3Q24	4Q24	QoQ	'24년
Revenue	160	153	△4.5%	3,322
Operating Profit	14	25	+74.3%	376
Operating Margin	9.0%	16.4%	+7.4%p	11.3%
Net Profit	7	20	+192.7%	224



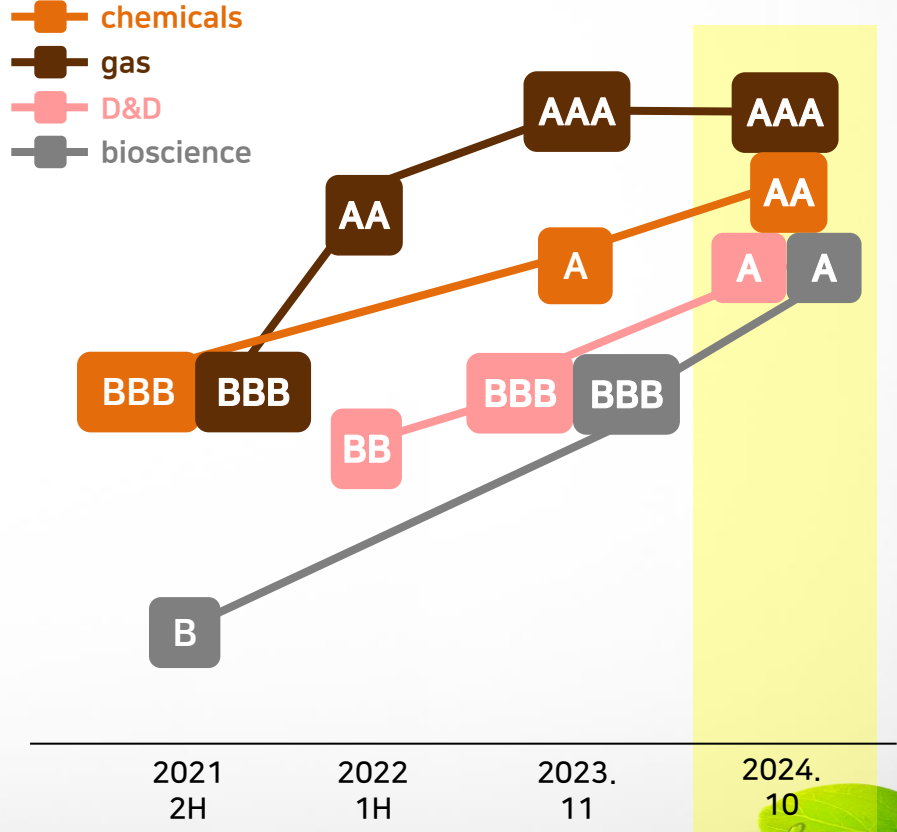
# Appendix) ESG Management

Through coordination between affiliates, ESG ratings have improved rapidly  
 In March 2024, SK discovery achieved the highest rating of AAA in the MSCI evaluation

### Assessment Results for SK discovery



### MSCI Results for Other Affiliates



※ SK discovery ESG Website ([SK discovery ESG](#))



# Appendix) Financial Statements

## SK discovery\_Consolidated Basis

### Income Statement

(Unit: KRW bn)

Items	FY21	FY22	FY23	FY24
Revenue	6,614	8,717	8,939	9,040
Cost of Revenue	6,236	7,885	7,823	7,983
Gross profit from Revenue	379	832	1,116	1,056
Operating profit	74	362	257	173
<i>Operating margin</i>	1.1%	4.2%	2.9%	1.9%
Other non-operating profit	290	177	94	△122
Profit before income tax	365	539	351	50
Income tax expense	92	5	103	18
Consolidated net profit	272	534	248	32
<i>Net profit margin</i>	4.1%	6.1%	2.8%	0.4%
Net profit attributable to equity holders of the parent	213	427	191	25

### Balance Sheet

(Unit: KRW bn)

Items	FY21	FY22	FY23	FY24
Current assets	2,802	5,326	5,012	5,684
(Cash and cash equivalents)	189	838	1,016	1,381
Non-current assets	4,080	6,454	7,238	9,394
<b>Total assets</b>	<b>6,882</b>	<b>11,780</b>	<b>12,251</b>	<b>15,078</b>
Current liabilities	1,977	3,283	2,830	3,841
(Short-term borrowings)	1,244	1,645	1,320	1,266
Non-current liabilities	1,835	2,544	3,351	4,784
(Long-term loans)	42	117	827	1,716
<b>Total liabilities</b>	<b>3,813</b>	<b>5,827</b>	<b>6,181</b>	<b>8,624</b>
Equity attributable to equity holders of the parent	2,413	2,819	2,942	2,816
(Capital stock)	112	112	112	112
(Other capital items)	△211	△157	△194	△301
(Retained earnings)	2,512	2,865	3,024	3,005
Non-controlling interest	656	3,134	3,128	3,638
<b>Total equity</b>	<b>3,069</b>	<b>5,953</b>	<b>6,070</b>	<b>6,453</b>

## Appendix) Financial Statements

### SK discovery\_Separate Basis

#### Income Statement

(Unit: KRW bn)

Items	FY21	FY22	FY23	FY24
Revenue	35	73	67	62
Cost of revenue	13	20	20	17
Operating profit	22	54	47	45
<i>Operating margin</i>	<i>62.5%</i>	<i>73.2%</i>	<i>70.5%</i>	<i>72.6%</i>
Other non-operating profit	32	134	4	△57
Profit before income tax	54	187	51	△12
Income tax expense	16	25	9	△5
Net profit	39	163	42	△7
<i>Net profit margin</i>	<i>109.5%</i>	<i>222.2%</i>	<i>63.1%</i>	<i>Loss</i>

#### Balance Sheet

(Unit: KRW bn)

Items	FY21	FY22	FY23	FY24
Current assets	185	47	99	302
(Cash and cash equivalents)	10	7	91	126
Non-current assets	1,376	1,616	1,654	1,500
<b>Total assets</b>	<b>1,562</b>	<b>1,663</b>	<b>1,752</b>	<b>1,802</b>
Current liabilities	455	394	364	515
(Short-term borrowings)	448	290	320	320
Non-current liabilities	151	190	310	266
(Long-term loans)	-	-	-	20
<b>Total liabilities</b>	<b>605</b>	<b>583</b>	<b>674</b>	<b>781</b>
Capital stock	112	112	112	112
Other capital items	△610	△612	△621	△629
Retained earnings	1,455	1,580	1,588	1,538
<b>Total equity</b>	<b>956</b>	<b>1,080</b>	<b>1,079</b>	<b>1,020</b>



## Reference Link \_ IR Contents of Subsidiaries

 **SK chemicals**

[https://www.skchemicals.com/ir/public\\_list.aspx](https://www.skchemicals.com/ir/public_list.aspx)

 **SK gas**

[https://skgas.co.kr/Investment/publicly\\_IR2\\_list.html](https://skgas.co.kr/Investment/publicly_IR2_list.html)

 **SK bioscience**

[https://www.skbioscience.com/kr/ir/stock\\_03](https://www.skbioscience.com/kr/ir/stock_03)

 **SK D&D**

<https://www.skdnd.com/invest/irsearch.do>

 **SK eternix**

<https://www.sketernix.com/invest/irsearchList.do>

 **SK plasma**

<https://www.skplasma.com/kr>



# THANK YOU

