



SK Square

3<sup>rd</sup> Annual General Shareholders' Meeting

# Letter to Shareholders

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## Dear Shareholders,

I would like to express my deepest gratitude to you for your unwavering support and encouragement for SK Square.

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### **2023 was a year in which we strengthened our foundation as an investment company by securing resources for investment through monetization of the portfolios.**

2023 was our second full year, in which we began to solidify our position as an investment company by successfully securing funds for investment through portfolio monetization and implementing shareholder returns.

We successfully closed deals to sell our stakes in SK Shieldus and NanoEntek as well as part of the stake in SK Planet. As part of our commitment to share gains with our shareholders as an investment company, we bought back shares totaling KRW 310 billion and we are adhering to our principle of cancelling all repurchased shares.

Meanwhile, SK Square established a KRW 100 billion semiconductor investment firm 'TGC Square' with partners and began to make investments in technology companies in Japan and the U.S.

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### **In 2024, amidst a market environment where challenges and opportunities coexist, we will enhance the value of our ICT portfolios and look to invest in future growth.**

As the Korean economy is expected to stagnate this year, SK Square will maintain our financial soundness and strengthen the fundamentals of the portfolio companies.

First, we will drive qualitative growth focused on profitability in our major ICT portfolios, and we will seek to enhance the value of our media portfolio through consolidation.

Some non-core assets will be monetized and used as financial resources for new investments and shareholder returns.

There is optimism about the semiconductor industry, which is the key investment area of SK Square. Following the company's turnaround in Q4, 2023, SK Hynix is expected to take a bigger leap forward in 2024 by strengthening its technology leadership, including taking the lead in HBM.

From SK Square's perspective, this year is expected to not only enhance the value of our core portfolio, SK Hynix, but also establish the groundwork for new growth in the semiconductor sector, which is anticipated to experience an upturn.

We will look for new investment opportunities within the semiconductor value chain that can either create synergy with SK Hynix or mitigate the effects of the memory cycle's volatility.

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### **In 2024, we will continue to meet the trust of our shareholders by maintaining our commitment to global standards for shareholder returns.**

SK Square is striving to strengthen shareholder value.

We have cancelled or plan to cancel treasury shares worth KRW 310 billion that we purchased in 2023. To address the issue of high NAV discount rate, we will continue to implement shareholder-friendly returns in line with the global standards in 2024.

Detailed shareholder return plans will be announced at the Annual General Shareholders' meeting.

Once again, I would like to thank all the shareholders for their support of SK Square. Our management including myself will continue to actively listen to the opinions of our shareholders and strive to increase shareholder value.

I would like to ask for your continued support.

March 2024

**Sung Ha Park**  
CEO & President, SK Square