



SK square

5th Annual General Shareholders' Meeting


Letter to Shareholders





Dear Shareholders,

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



In 2025, we achieved significant growth in our corporate value through the solid performance of SK hynix, earnings improvement of the ICT portfolio companies, portfolio rebalancing to secure financial resources, and consistent shareholder returns.

SK hynix, our key portfolio company, recorded all-time-high revenue and operating profit as the leader in the AI semiconductor market with world-class HBM technology. In the increasingly competitive environment, our ICT portfolio improved profitability by more than 60% through intensive operational improvements. As a result, SK square's consolidated operating profit more than doubled YoY to a record high of KRW 8.8 trillion.

Furthermore, we laid the foundation to reshape our portfolio through accelerated portfolio rebalancing. We established a structure to integrate Content wawe and TVING after two years of efforts and secured financial resources through divestments of Incross and Dreamus Company. We also exchanged our stake in IDQ with shares of IonQ, a global leader in quantum computing.

We are also systematically laying the groundwork for future growth. Through TGC square, our overseas investment entity, we continue to pursue early-stage exploration of future core technologies and business models. Some of the investments in AI and semiconductor companies in the U.S. and Japan are already beginning to show tangible results.

In addition, as we promised to our shareholders, we completed share buyback of KRW 200 billion in 2025 and are canceling treasury shares. Following the ahead-of-schedule achievement of the Corporate Value-up Plan announced in 2024, we announced a new Value-Up Plan in November 2025 that includes a target to lower NAV discount to below 30% by 2028. These measures reflect our commitment to strengthening trust with our shareholders.

With our efforts to drive shareholder value, the stock price of SK square has increased more than 7 times compared to the beginning of 2025.



In 2026, uncertainty is becoming the new normal, but we will re-design the core competitiveness of our portfolio centered on AI and prepare to make investments for future growth.

In an era where uncertainty becomes the new normal with intensifying global competition over technology leadership, rising geopolitical tensions, and the rapid pace of change, AI will be a key lever that leads new growth and makes a difference.

Companies that have core technology and infrastructure within the value chain such as AI semiconductors and Data Centers have quickly entered an earnings upcycle, enjoying unprecedented levels of profitability. Many companies are using AI internally not only to enhance productivity but to transform their business models. Against this backdrop, the gap between businesses that proactively adopt an AI-first strategy and those that do not is expected to widen further.

Amid the profound transformation brought about by AI, SK square will actively pursue new opportunities for future growth. We will adopt AI to innovate business models of the portfolio companies and reshape our portfolio to be centered on AI and semiconductors through new investments.

First, SK hynix aims to maintain revenue and profit growth on the back of growing demand for both HBM and general-purpose memory chips and further reinforce its leadership in the AI semiconductor market.

We will strengthen the competitiveness of the ICT portfolio through service experience innovation such as AI-powered personalized recommendations and conversational search. We will also leverage AI across our operations, including data analysis and customer support, to enhance profitability.

At the same time, we will secure financial resources by exiting from non-core assets and actively explore investment opportunities in AI and semiconductor sectors with strong growth potential.

As an illustration, we are reviewing opportunities in the AI infrastructure and application sectors that can effectively address AI-related bottlenecks as well as the semiconductor value-chain sectors where we can create synergy with SK hynix. However, we will take a disciplined approach to investment and carefully consider the recent macroeconomic uncertainty and significant valuation fluctuations in the AI and semiconductor sectors.

With the goal of maximizing shareholder value, we will adhere to our investment principle of taking into account the discount to NAV.



In 2026, we remain committed to delivering on our promises to our shareholders and maximizing shareholder value.

Shareholder value is the foremost principle guiding SK square's management activities.

Under the clear capital allocation principle, we aim to execute new investments to create a solid portfolio that can achieve sustainable growth and implement our shareholder return policy in a consistent manner as promised to the shareholders so that we can achieve the NAV discount target of below 30% by 2028 as stated in the Corporate Value-Up Plan.

Once again, I would like to thank all the shareholders for supporting SK square. We will continue to actively listen to our shareholders and strive to enhance shareholder value.

March 2026

Jung Kyu Kim

President, SK square